



**FINDING POTENTIAL COUNTRY TO ESTABLISH A FINNISH-OWNED
CALL CENTER**

Annika Malkki JD08S1

May 2012

SAVONIA UNIVERSITY OF APPLIED SCIENCES Business and Administration, Varkaus Degree Programme, option Bachelor of Business Administration, International Business, International Marketing Management		
Author(s) Annika Malkki		
Title of study Finding potential country to establish a Finnish-owned call center		
Type of project	Date	Pages
Thesis	15.05.2012	73 + 5
Supervisor(s) of study		Executive organisation
Tuula Linnas		
Abstract <p>The objective of this thesis was to find a potential country to establish a Finnish-owned call center. The case company is already operating in Spain and Estonia and they are planning to establish a third office. The office should be placed in a country which is appealing for Finnish employees and suitable for running a call center business. This country was found by asking the opinions of potential employees and by evaluating theoretical data.</p> <p>Quantitative survey research was used to collect the opinions of the target group which were the Finnish students of Savonia University of Applied Sciences. A link to the online questionnaire was send to them by e-mail and they were asked to answer the questions concerning working abroad. The research found out the most popular countries to work and important factors influencing the respondents' decision. After analyzing the answers, theoretical data about the three most popular countries was gathered and compared.</p> <p>The questionnaire was returned by 385 respondents and the three most popular countries to work were the USA, the United Kingdom and Canada. The conclusion of the research was that Finnish people want to work in an interesting country which has a similar kind of culture to Finland and a language familiar to them. The respondents would not work in a country which is considered unsafe, where the culture is very different from their own culture and if they do not speak the language.</p> <p>After comparing the opinions of the respondents, the viewpoint of the company and the theoretical data, it seems that the United Kingdom is the most suitable country to establish a call center. The UK was the second most popular country among the respondents and it fulfills the requirements meaningful to them. The country is part of the European Union and it makes running a business there simpler. Establishing a company in the UK is relatively easy and the taxation is not too high. The telecommunication infrastructure of the country is up-to-date which is an important factor influencing the business field of the case company.</p>		
Keywords call center, establish, internationalization, Finnish-owned, service		
Note		

TABLE OF CONTENTS

1 INTRODUCTION	<u>5</u>
2 PRESENTATION OF THE CASE COMPANY	<u>7</u>
2.1 Company mission, vision and services	<u>7</u>
2.2 Contact center, internationalization and business support services.....	<u>8</u>
3 FINNISH COMPANIES OPERATING ABROAD	<u>10</u>
3.1 Things to be considered before internationalizing.....	<u>10</u>
3.2 Different ways to internationalize	<u>11</u>
3.3 Finnish daughter companies abroad.....	<u>13</u>
3.4 Finnish companies outsourcing abroad	<u>17</u>
4 FINNISH PEOPLE ABROAD	<u>20</u>
4.1 Information about Finnish emigrants.....	<u>20</u>
4.2 People with Finnish citizenship in European countries	<u>21</u>
4.3 Finnish students and graduates abroad.....	<u>23</u>
5 IMPLEMENTATION OF THE RESEARCH	<u>27</u>
5.1 Information about the target group.....	<u>27</u>
5.2 Questionnaire	<u>28</u>
6 RESULTS OF THE RESEARCH	<u>30</u>
6.1 Background information of the respondents	<u>30</u>
6.2 Favorite countries to work and reasons behind the selections.....	<u>33</u>
6.3 Importance of the different factors concerning working abroad	<u>40</u>
6.4 Relations between the respondents' background and other factors	<u>43</u>
7 COMPARISON OF THE POTENTIAL COUNTRIES	<u>51</u>
7.1 The USA	<u>51</u>
7.2 The United Kingdom	<u>57</u>
7.3 Canada	<u>62</u>
7.4 Comparison of the country indexes.....	<u>66</u>
8 CONCLUSIONS	<u>73</u>
8.1 Summary of the theoretical framework	<u>74</u>

8.2 Evaluation of the potential countries and own suggestions.....	<u>75</u>
--	-----------

REFERENCES	<u>79</u>
-------------------------	------------------

APPENDICE

Appendix 1 Covering e-mail for the respondents	<u>84</u>
---	------------------

Appendix 2 Questionnaire.....	<u>85</u>
--------------------------------------	------------------

List of tables

TABLE 1. Difference in the number of Finnish affiliates abroad in 2007 and 2009 (Statistics Finland 2012)

TABLE 2. Difference in the number of employees in Finnish affiliates in 2007 and 2009 (Statistics Finland 2012)

TABLE 3. Finnish affiliates abroad by industry in 2009 (Statistics Finland 2012)

TABLE 4. Finnish people in some European countries in 2010 (Institute of Migration Finland 2012)

TABLE 5. Respondents' selection of the favorite countries by continents (n=385)

TABLE 6. All selected countries listed by the popularity among the respondents (n=385)

TABLE 7. Reasons affecting the selection of the country mentioned by the respondents (n=385)

TABLE 8. Ten most often mentioned countries where the respondents does not want to work (n=385)

TABLE 9. Ten most often mentioned reasons why a country is not appealing (n=385)

TABLE 10. Relation between the respondent's age and the duration of the residency (n=385)

TABLE 11. Relation between the respondent's field of study and the duration of the residency (n=385)

TABLE 12. Relation between the gender of the respondent and the importance of the different factors concerning working abroad (n=385)

TABLE 13. Relation between the respondents' field of study and the importance of the different factors concerning working abroad (n=385)

TABLE 14. Procedures in starting a business in the USA (International Finance Corporation 2012)

TABLE 15. Procedures in starting a business in the United Kingdom (International Finance Corporation 2012)

TABLE 16. Comparison of the ICT Development Indexes (International Telecommunication Union 2012)

TABLE 17. Comparison of the Internet users and broadband subscriptions in 2010 (International Telecommunication Union 2012)

TABLE 18. Comparison of different business related indexes (International Finance Corporation 2012)

TABLE 19. Comparison of different standard of living related indexes (Numbeo 2012)

TABLE 20. Comparison of different safety related indexes (Numbeo 2012)

List of figures

FIGURE 1. Difference in the number of Finnish affiliates abroad in 2007 and 2009 (Statistics Finland 2012)

FIGURE 2. Difference in the number of employees in Finnish affiliates in 2007 and 2009 (Statistics Finland 2012)

FIGURE 3. Age groups of the respondents (n=385)

FIGURE 4. Gender of the respondents (n=385)

FIGURE 5. Respondents' field of study (n=385)

FIGURE 6. Count of gender of the respondents in the different fields of study (n=385)

FIGURE 7. Preferred duration of the residency (n=385)

FIGURE 8. Importance of the different factors concerning working abroad (n=385)

FIGURE 9. Map of the USA (Central Intelligence Agency 2012)

FIGURE 10. Map of the United Kingdom (Central Intelligence Agency 2012)

FIGURE 11. Map of Canada (Central Intelligence Agency 2012)

1 INTRODUCTION

The case company of this thesis is a Finnish-owned call center company which is at the moment operating in Spain and in Estonia. I was doing my internship in the office of the case company in Spain in the autumn 2011. The CEO of the company asked me if I was interested in doing my thesis for the company. They are planning to expand their operations abroad and the aim is to establish one more office somewhere. They asked me to find out in my thesis which country would be the most suitable to establish this new office. I needed to find out where Finnish people would like to work and where it is the most cost effective and suitable to run the business.

In this thesis I asked the opinion of some Finnish students of Savonia UAS about working abroad by sending them an online questionnaire. The objective was to get as much opinions as possible about the potential favorite countries to work and opinions about the duration of the work. I also asked what factors influenced the selection of the country and why some countries were not so popular.

After receiving the data I analyzed it and screened the top three countries which I then compared from the theoretical viewpoint. As a conclusion of this thesis I have one country which is the most suitable to establish the new office of the case company. This country should attract Finnish employees and trainees and running the business should be fluent and profitable.

According to Ellis-Christensen (2012) the demand for call center services is increasing all the time because companies are outsourcing their customer service activities as well as some selling and debt collecting activities. International call centers are used by companies which want to keep the costs low and it has raised discussion about jobs going to foreign labor markets. Studies made in 2007 tell that around 13 per cent of call center jobs are international and the majority of those are located in India, Brazil and Spain. The market for international call centers is growing because companies can use both the domestic and foreign contact center to provide customer service around the clock without paying overtime salaries to domestic workers. (Ellis-Christensen 2012.)

Ellis-Christensen (2012) states, that it is proved that an international call center saves employee expenses. In an international call center which is located in India an employee's yearly wage is around 1900 Euros and in Brazil that amount is around 3000 Euros. As a comparison, a call center worker's yearly wage in America can be between 20 500 to 26 500 Euros and the employer is also obligated to pay health insurance costs. From the company's perspective it makes sense to pay less to an Indian employee who speaks good English and is able to handle customer service than ten times more to an American employee. (Ellis-Christensen 2012.)

A research made about international call centers shows that people who answer the calls in India are more likely better qualified than people in the USA. In most of the call centers in India around 70 per cent of the staff has a college degree but in the USA only 20 per cent of the call centers hire college graduates. In Canada around 50 per cent of the call center staff has a college degree and in the Netherlands 60 per cent. In international call centers college education is not always required and for example in South-Africa less than ten per cent of the employees has college education. In the service oriented call centers it is more valuable to be familiar with the products and services than having a degree. Most of the international call centers require good English skills and those jobs are quite easy to get. There are thousands of jobs available in international call centers, both short- and long-term and besides language skills the applicant has to be able to learn about the company's products, has good telephone manners and patience. (Ellis-Christensen 2012.)

2 PRESENTATION OF THE CASE COMPANY

This thesis is done for a Finnish owned company which offers international contact center services and other services related to research, business support and internationalization. It operates as a subcontractor for companies in Finland, the Baltic countries and Russia. They have offices in Fuengirola, Spain and Tallinn, Estonia. According to their website most of the company's projects, almost 90 per cent, are done for Finnish companies but they also do projects for customers all around the world in several languages. The case company's biggest group of customers consists of companies which are internationalizing and outsourcing their businesses. (Case company's website 2012.)

2.1 Company mission, vision and services

The head office of the company is located in Tallinn, Estonia. The office manager and the account manager in Tallinn are responsible for running the office and reporting to the CEO who is working in Fuengirola, Spain. The office in Spain also has an office manager who organizes projects and is in contact with the Tallinn office. Both offices offer internship placements for students from universities, polytechnics and vocational schools and the amount of trainees varies depending on the amount of projects. The Tallinn office has few full-time customer service staff and the Fuengirola office has research consultants and assistants working both full-time and part-time. (Case company's website 2012.)

The case company tells that their mission is to provide contact center and outsourcing services cost effectively using communicational and interactive tools. They don't have any territorial borders and they bring different businesses together with their services. Their vision is to gain professional growth in quality, services and size. They want to be a recognizable, respected and a substantial player in the European contact center market. Their values are hard work and dedication, integrity and loyalty, entrepreneurship, customer satisfaction, natural growth with the customer and long term orientation. (Case company's website 2012.)

The company is specialized in inbound and outbound services in several languages and besides those they provide virtual services as a subcontractor for the companies in the branch. They provide tailor made qualitative and quantitative research services for different kind of companies. The company has employees from different nationalities and they can do projects for foreign customers with their mother language. At the moment there are people speaking Finnish, English, Spanish, Russian, Swedish and Estonian. The company also helps Finnish companies with their internationalization by providing consultation in business planning, entering markets and developing processes of international markets. The back office –services of the company will help companies to concentrate on their core activities. (Case company's website 2012.)

2.2 Contact center, internationalization and business support services

The inbound services of the company include switch board, multilingual technical support and conference and event registration. The outbound services include event marketing, customer surveys, quantitative and qualitative interviews, business to business (B2B) and business to customer (B2C) telemarketing, appointment booking and customer care and retention. The virtual services of the company are E-mail response, Web-moderator, live chat-answering and secretarial services. (Case company's website 2012.)

The case company offers research services to other marketing research companies delivering higher volumes and acting as a subcontractor. They also provide research services directly to individual companies. The companies can use the case company's research services to measure and improve their business and understand customers and employees both on a local and international level. (Case company's website 2012.)

The company's local research services are for example customer and HR surveys, consumer and market research, qualitative research like mystery shopping or research about competitors, partners and company's image. These local research services can help a company to plan, evaluate and measure their operations and help in decision making. International research services can help a company to

evaluate and choose suitable target market for their internationalization. Examples of these kinds of researches are competitor analysis and benchmarking, customer satisfaction and HR analysis, qualitative research and market analysis. These researches are usually done by a native researcher who understands the culture and the markets of the destination country. (Case company's website 2012.)

According to the case company's website they offer several internationalization and consulting services. They can for example make market researches and surveys to find business opportunities, arrange business meetings with potential customers or partners, evaluate office and production facilities, recruit and manage human resources, develop and implement business concepts, make product development and optimize delivery channels, translate different kind of materials, deal with public officials and offer bookkeeping services. (Case company's website 2012.)

The company mentions several business support services which can be handled by them. These are for example mailing and virtual secretary services, conducting and maintaining customer databases, organizing exhibitions and events, meetings and document management, secondary and primary background researches, updating Web-pages, travel arrangements, social networking, data entry, customer care and invoicing services. (Case company's website 2012.)

3 FINNISH COMPANIES OPERATING ABROAD

According to the online-service Yritys-Suomi (2012) there are several ways for companies to operate abroad. Exporting is the most typical way to internationalize for small and medium size companies. Sometimes it is more practical to establish an office abroad to be able to settle into foreign markets. Running a business abroad requires more investments, skilled employees, long-term planning and strong know-how about the target markets. Because of that it is more risky than exporting but it can also be a profitable and cost effective way to grow operations. (Yritys-Suomi 2012.)

3.1 Things to be considered before internationalizing

Before the actual internationalizing procedures it is vital to collect information about the foreign markets and make planning and decisions based on that. The planning should start after checking realistic changes to start the business abroad. All the factors related to the product or service, marketing, objectives and resources of the company should be carefully evaluated before making any concrete actions. External factors which can affect the company's operations abroad should also be evaluated. Customers and competitors have direct impact on the company and political, economical, juridical, social and cultural factors have indirect impact on the company. Also changes of the international trends and the effect on to the company's operations and branch should be taken into consideration. (Suomen Yrittäjät 2012.)

Every target country requires its own analyzing and depending on the company it can be basic market research or more detailed research. The results of the research should be evaluated carefully and used in the decision making. Strategic planning is important and should include long-term objectives and goals which guide the business operations. Starting of the international business requires both financial and human resources and the availability of those should be planned in advance. (Suomen Yrittäjät 2012.)

Finnish companies which are planning establishing an office abroad should pay a lot of attention on the calculations. The companies should carefully evaluate the benefits which can be gained, realistic costs and changes that can happen during the coming years. It is possible to get public funding, loan and security if the business plan made for international operations proves that internationalization can be profitable in the long run. Small and medium size companies can also plan their establishing actions in co-operation with another Finnish company to share the risks. (Yritys-Suomi 2012.)

To be able to sell products and services abroad, the company has to get familiar with the local markets and run its local selling activities according to the demand. Small and medium size companies can handle their foreign markets through their selling chain but sometimes it is useful to be actually present in the local markets. Reaching the customers is more direct and a Finnish company can be closer to consumers and potential customers when it has a foreign selling office. (Yritys-Suomi 2012.)

Finnish employees or local people can be working in the office and marketing and selling can be handled in the target country and nearby regions. In a juridical sense this kind of office is a part of its Finnish mother company's operations but it has to obey the target country's laws and regulations. It is wise to contact local lawyers to get some advice for running a business in the target country. Researching competing companies in the branch is also advisable to get an outlook on the local business culture. (Yritys-Suomi 2012.)

3.2 Different ways to internationalize

If a small or medium size company wants to save in the costs of establishing a sales office it can co-operate with some other company. A joint venture is a possibility for several Finnish companies to establish a business abroad and enhance operations. A Finnish company can also co-operate with a foreign company and buy a part of it and establish an office. (Yritys-Suomi 2012.)

If a company wants to move its production activities abroad it can establish a production unit in the target country. It is a massive investment but it can save labor force and transportation costs and makes it profitable in that way. Yritys-Suomi (2012) lists different alternatives for a company to run its operations abroad. Licensing or franchising is one way to get production done abroad. In these activities the foreign partner is responsible for the business abroad with the model of the Finnish company. Subcontracting or contract manufacturing means that the foreign partner manufactures a product or part of a product for the Finnish company who is responsible for designing, selling and marketing of the final product. A joint venture is a new production unit abroad which is owned by two co-operating companies. A shared ownership means that a Finnish company buys a part of the foreign manufacturing company and runs international business with its name. A daughter company means that a new production unit is established abroad and owned by a Finnish company. (Yritys-Suomi 2012.)

Establishing a company abroad is a long process which requires careful planning. It has to be taken into consideration that for example different culture, business practices and values have an effect on running a business abroad. It requires a lot of knowledge about the target country and the area to succeed abroad. The local juridical issues and legislation have to be explored beforehand to avoid any problems. (Suomen Yrittäjät 2012.)

The company form, registering and business operations have to obey local regulations when a business is established abroad. Finnish laws and regulations have to be also taken into consideration when the mother company is Finnish. It is essential to gather a lot of information about the target markets before establishing a manufacturing unit abroad because the selection of the place will affect the success of the project. Small and medium size companies should get all the available help for the strategic planning, evaluating target markets and dealing with the juridical obligations and practices before internationalizing. (Yritys-Suomi 2012.)

3.3 Finnish daughter companies abroad

Finnish companies had almost 5000 daughter companies in 120 countries in 2009. Measured with the size of the staff most of the businesses were in Europe and Asia. Most of the staff was in Sweden, Russia, China and Germany. Altogether more than 199 000 people were working in the Netherlands, Belgium, Spain, Ireland, Italy, Austria, Greece, Luxemburg, Portugal, France, Sweden, Germany, Denmark and the UK in 2009. These countries have all joined the EU before 2004 and the biggest industries were machinery and metal product and paper industry. (Statistics Finland 2012.)

The EU countries which have joined the union after 2004 are Cyprus, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia, the Czech Republic, Hungary and Estonia. In 2009, Finnish daughter companies had around 106 000 of staff in those and operating mostly in wholesale and retail business. In Asia and Oceania the number of staff was around 109 000 and the biggest branches were electronic and electricity industries. Worldwide electronic, electricity, machinery and metal product industries were the biggest branches employing people in Finnish daughter companies. The biggest revenues, more than 27 billion Euros, was made in Sweden and the biggest revenues of the branches, nearly 36 billion Euros, were in electronic and electricity businesses. The second biggest revenues, nearly 35 billion Euros, were in wholesale and retail business. (Statistics Finland 2012.)

TABLE 1. Difference in the number of Finnish affiliates abroad in 2007 and 2009 (Statistics Finland 2012)

Country	Number of companies 2007	Number of companies 2009
All EU countries	3 010	2 951
Old EU countries	1 820	1 744
Sweden	598	608
Asia and Oceania	544	595
Russian Federation	383	468
Germany	285	268
North-America	272	273
China	170	191
India	38	50



FIGURE 1. Difference in the number of Finnish affiliates abroad in 2007 and 2009 (Statistics Finland 2012)

Table 1 and figure 1 show the change in the number of Finnish affiliates in some countries between the year 2007 and 2009. The number of Finnish affiliates has decreased in all the EU countries except Sweden. There were ten more Finnish affiliates in 2009 than in 2007. The amount of Finnish affiliates also increased in Asia and Oceania, the Russian Federation, North-America, China and India in 2009. (Statistics Finland 2012.)

TABLE 2. Difference in the number of employees in Finnish affiliates in 2007 and 2009 (Statistics Finland 2012)

Country	Number of employees 2007	Number of employees 2009
All EU countries	328 406	305 330
Old EU countries	211 514	199 080
Sweden	77 644	75 580
Asia and Oceania	108 243	109 830
Russian Federation	39 261	52 660
Germany	48 551	43 360
North-America	45 060	36 650
China	57 165	50 050
India	22 008	30 670

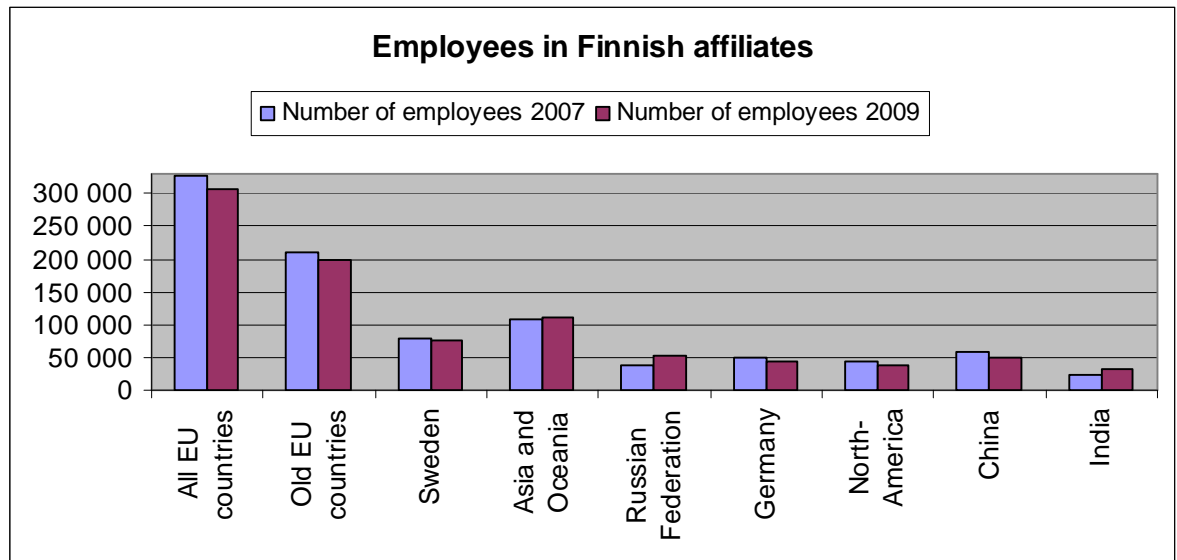


FIGURE 2. Difference in the number of employees in Finnish affiliates in 2007 and 2009 (Statistics Finland 2012)

Table 2 and figure 2 show the change in the number of employees in Finnish affiliates in some countries between the year 2007 and 2009. The number of employees decreased in 2009 in all the EU countries and also in Sweden even though the number of Finnish affiliates increased in 2009. The amount of employees also decreased in the Finnish affiliates located in China even though the amount of affiliates increased there in 2009. The number of employees increased only in Asia and Oceania, the Russian Federation and India in 2009. (Statistics Finland 2012.)

The biggest branch of Finnish daughter companies inside Europe but outside the European Union was wholesale and retail business with 208 companies. In machinery and metal product industry there were 110 companies and construction industry had 77 companies in 2009. In Asia and Oceania there were 185 companies in machinery and metal product industry, 100 companies in electronic and electricity industry and 49 companies in information and communication industry. The biggest branch in North-America in 2009 was machinery and metal product industry with 65 daughter companies and the second biggest electronic and electricity industry with 27 companies. In the Middle- and South-America the biggest branches were the same with 69 and 30 companies. (Statistics Finland 2012.)

TABLE 3. Finnish affiliates abroad by industry in 2009 (Statistics Finland 2012)

	Number of employees ¹⁾	Turnover (EUR million)	Number of affiliates
Agriculture, forestry and fishing	1,59	514.4	29
Mining and quarrying	1	217.8	14
Manufacturing	371,53	96,274.2	2,168
Electricity, gas and water supply	11,56	4,749.7	77
Construction	30,73	4,000.8	239
Wholesale and retail trade	63,69	34,863.7	1,088
Transportation and storage	12,52	1,392.9	139
Accommodation and food service activities	4,1	300.7	21
Information and communication	31,33	7,660.4	418
Financial and insurance activities	9,8	8,798.8	92
Real estate activities, professional, scientific and technical activities, administrative and support service activities	27,42	4,784.4	567
Education, human health and social work activities, arts, entertainment and recreation, other service activities	1,08	82.7	37
All industries, total	566,35	163,640.3	4,889

1) Annual average

Table 3 tells the amount of Finnish affiliates by industry abroad in 2009. The table also tells the annual average of the employees and turnover of the industry. The three biggest industries abroad are manufacturing, wholesale and retail and the group including real estate activities, professional, scientific and technical activities, administrative and support service activities. (Statistics Finland 2012.)

3.4 Finnish companies outsourcing abroad

Rikama (2008) writes in his article about the willingness of Finnish companies to outsource their operations abroad. He tells that over the half of the outsourcing or moving operations are done inside the EU because of the cultural connections and near located customers. It is easier for companies to predict the effect of outsourcing and moving operations inside the EU because the markets are united and services, goods and labor force are moving according to common rules. (Rikama 2008.)

According to the article, Asia is the second biggest target area for outsourcing and about 25 per cent of operations are outsourced or moved there. The strengths of the area are lower cost level and faster growing markets compared to the EU countries. Asia and the new EU countries are almost equally popular for outsourcing among Finnish, Norwegian and Dutch companies whereas Swedish companies prefer the EU region and Danish companies Asia. (Rikama 2008.)

A lot of manufacturing industry has moved to lower cost countries like China and the new EU countries. The article mentions that around one third of the Finnish and Danish industry companies have moved their manufacturing operations to the new EU countries and over 40 per cent of the Dutch companies. Around 20 per cent of the manufacturing operations are moved to China by Finnish and Danish companies and only five per cent to India. India is considered a bigger outsourcing country for the service branch. The EU countries attract outsourcing of the service companies and back-office services. The back-office services like IT-services are often outsourced to closer regions and especially to the old EU countries. (Rikama 2008.)

Rikama's (2008) article is based on a survey done for Finnish, Swedish, Norwegian, Danish and Dutch companies and it indicated that most of the companies were planning to outsource their core operations and in Finland those represent 38 per cent of all companies' operations. Beside the IT-services transportation and logistic services were also often outsourced. Finnish companies were more eager to move their sales and marketing activities than the companies in other countries. In Danish

and Norwegian companies engineering and technical services were moved abroad most often. (Rikama 2008.)

The survey also found out that in the future companies are moving their operations outside the EU countries even more. Finnish companies are especially interested in moving their activities to Russia. Danish and Norwegian companies will concentrate more on the EU countries and especially Danish to the new EU countries. The companies in all countries of the survey believe that China and the new EU countries will be the biggest target for core activities like the manufacturing industry also in the coming years. The IT- services will also in the future be moved to the old EU countries because the companies want to keep those near to their headquarters. (Rikama 2008.)

Finnish companies are among the top European countries outsourcing their operations abroad. Among the Finnish companies with more than 50 employees every sixth company has outsourced or moved their operations abroad. Danish companies are even more active but in general Swedish, Dutch, and Finnish companies rather move their operations inside the corporation to another country than outsource those to an external operator. (Rikama 2008.)

Differences between countries

An article was published in 2011 by Rikama in which he evaluates the strengths and weaknesses of establishing businesses in different target countries. Because businesses create jobs and wealth, create innovations and spread professionalism, global competition of locating companies is tense. Several benefits and obligations will follow when establishing a company in a foreign country. A business will benefit public and local services and laws will protect and give specific rights to the employees. (Rikama 2011.)

Finland competes with several EU countries in attracting new businesses into the country. Finland's strength is versatile know-how but high cost level is its weakness. The World Bank publishes indicators about businesses once a year and countries can be evaluated with those. One crucial criterion in those indicators is the easiness of establishing a company into a country and it will affect on the founding of

companies. Finland is in place 39 from 200 countries in that sector. The time and costs of the establishing process, required capital and practices of administration are included in the indicator. (Rikama 2011.)

The bureaucracy concerning establishing a company varies a lot in different countries. For example in Finland it takes 14 days and three stages to establish a company but in Denmark, Norway and France it takes only half of that time. The Nordic countries as a wide market area compete of new businesses coming there. It is also important to support small and new local companies because one never knows which one of them could become a new global success. Compared to other Nordic countries, Finland is behind Denmark where it is the easiest to establish a new company. On the other hand, it is easier to establish a company in Finland than in Sweden or Norway. (Rikama 2011.)

When Rikama (2011) evaluates other than Nordic countries, he states that even though Germany is economically a strong country, it is not easy to establish a company there. In the World Bank's list it is situated barely among the 100 best countries. In France it is easy to establish a new company and it beats all the Nordic countries in that sector. On the top of the list there are New-Zealand, Australia and Canada. In place 14 there is the USA and after that there come France in place 24, Denmark in 32, Iceland in 36, Finland in 39, Norway in 41 and Sweden in 46. In the middle of the list there are the OECD countries in general in the place 56, Dutch is in place 79 and Germany in 98. (Rikama 2011.)

4 FINNISH PEOPLE ABROAD

In the 1990's the most popular country to move to from Finland was Sweden. The other target countries were Norway, Germany, the USA, the UK, Denmark, Spain, Australia, Canada, France and Italy. The type of the people moving abroad and the reasons for moving were different from the previous decade. In the 90's most of the emigrants were highly educated people who moved abroad at first for a specific period of time. Career development, studying and getting married were the most common reasons to move abroad in that time. In the earlier decade people moved away from Finland only to earn money. The age of the emigrants remained quite the same in both decades and nearly two thirds were between 15 and 34 years old. (Mikkola 1994, 21.)

Getting married and work related issues were the biggest reasons to move outside the Nordic countries. Over the half of the women who moved got married with a foreign man. Most of the men leaving Finland had work related projects or job opportunities abroad. Brain drain was not common in the 90's and over the half of the highly educated people who moved abroad, moved back to Finland after five years. Also in the 90's it was possible to work abroad in an international Finnish company. Mikkola (1994, 120) mentions that most of the jobs located abroad were in the branches of business and technology. There were dozens of international Finnish companies but many of them were moving towards employing local people in the target countries. (Mikkola 1994, 22,120.)

4.1 Information about Finnish emigrants

According to an article in Helsingin Sanomat (2012) between 8 000 and 10 000 Finns move abroad every year. They moved all over the world but the most popular destinations are Sweden and North-America. Nowadays also the UK, Germany and Spain are popular among Finnish emigrants. According to the Population Register Centre of Finland there are around 230 000 Finns over 18 years old in 172 different countries or administrative territories. The amount of people is only an estimation

because many of the emigrants fall out of the statistics and under-aged Finns are not listed. (Helsingin Sanomat 2012.)

The reasons for moving have been studied and the research manager of the immigration institute states that most of the time the reason is work or love. Nowadays the threshold of moving abroad has lowered but highly educated people are still most eager to leave Finland. Besides Sweden Finnish people move to countries where they manage with English and usually there is quite a high standard of living in the destination countries. The article (2012) also mentions that most of the emigrants stay abroad and over half of the Finns abroad are not considering moving back to Finland. The trend of moving abroad permanently can be seen in statistics and last year there were 1 400 more Finnish emigrants than Finnish immigrants. (Helsingin Sanomat 2012.)

4.2 People with Finnish citizenship in European countries

Over one million people have emigrated from Finland during the last 150 years. It is a quite big loss for a country as small as Finland even though it is estimated that 400 000 emigrants have returned at some point. Most of those emigrants moved to Sweden and the United States and there are over 600 000 first and second generation Finns abroad. These emigrants and their children can be a valuable asset in foreign trade and Finnish cultural export. (Koivukangas 2003.)

TABLE 4. Finnish people in some European countries in 2010 (Institute of Migration Finland 2012)

Country	Number of people with Finnish citizenship
Sweden	74 050
Germany	13 719
United Kingdom	~10 000
Norway	6 133
Ireland	821
Spain	12 354
Switzerland	3 416
Denmark	2 316
Belgium	3 021
France	~3 000
The Netherlands	2 197
Italy	1 793
Luxembourg	~1 100
Austria	~1 200
Portugal	354
Hungary	406
Iceland	119
Latvia	248
Lithuania	~100

Table 4 shows the amount of Finnish people in some European countries in 2010. The table includes the number of Finnish people in Sweden, Germany, the UK, Norway, Ireland, Spain, Switzerland, Denmark, Belgium, France, the Netherlands, Italy, Luxembourg, Austria, Portugal, Hungary, Iceland, Latvia and Lithuania. According to the table in Sweden there were 74 050 people who had Finnish citizenship and that is the biggest amount among the countries mentioned. The second biggest amount of people with Finnish citizenship was 13 719 in Germany. In Spain there were 12 354 people with Finnish citizenship in 2010. (Institute of Migration 2012.)

According to the table there were over 6 000 people with Finnish citizenship in Norway in 2010. In Switzerland, Belgium and France there were around 3 000 Finnish people. Around 2 000 people with Finnish citizenship lived in Denmark, the Netherlands, Italy, Luxemburg and Austria. In Ireland, Portugal, Hungary, Iceland, Latvia and Lithuania there were between 100 and 821 people with Finnish citizenship. (Institute of Migration 2012.)

4.3 Finnish students and graduates abroad

Saarikallio-Torp & Wiers-Jenssen (2010, 58-59) state in their research that the most important motivation for Nordic students to study abroad is to get better chances for having an international job. Governments encourage student mobility to internationalize labor force and international career can mean either working abroad or having an international job in the home country. Both of these options are good ways to use skills gained abroad during the studies. Research based on a survey which also shows that mobile students are more interested in working abroad than non-mobile students. Finns and Faroese mobile students are the most eager to apply for a job abroad. Around 60 per cent of the mobile Finnish degree students who have participated in the survey have worked abroad after graduation. 43 per cent of these Finns still live abroad one to five years after graduation. (Saarikallio-Torp & Wiers-Jenssen 2010, 58-59.)

Over 50 per cent of the mobile Finnish graduates, who participated in the research done by Saarikallio-Torp & Wiers-Jenssen, stated that they would probably be living abroad in five years time. From the non-mobile graduates only around 10 per cent saw themselves working abroad in five years time. This data shows that the mobile students will more likely go to work abroad after graduation than the non-mobile students. The research also shows that the Finnish mobile students who are working in the home country will more likely work for a company which has its head office abroad. They also use foreign language at work and travel more often abroad for work purposes than the non-mobile students. (Saarikallio-Torp & Wiers-Jenssen 2010, 60-63.)

In the past Finns used to study abroad because the educational fields were limited in Finland. Nowadays internationalization and possibility to gain valuable experience while studying abroad are more important reasons. There are some worries in Finland concerning skilled labor force leaving the country and labor shortage in the future. Because of that it is important to research the mobile degree students, their return rates and labor market adaptation. Studying abroad provides skills which can not be gained in other ways and those should be taken into consideration in the home country. For example cross-cultural communication skills

and understanding of international issues can be a competitive edge in the labor market. (Saarikallio-Torp & Wiers-Jenssen 2010, 69-70.)

In Finland foreign studies have been seen as an asset to the country's competitiveness and people are encouraged to study abroad. The issue of "brain drain" has not been taken much into consideration even though most of the respondents of the research who graduated abroad told that they would like to have an opportunity for an international career. Almost half of the mobile Finnish students had their first job after graduation in Finland but a significant number of them had their first employment abroad. About 10 per cent of the mobile students found a job in Sweden and almost 20 per cent in Great Britain. The country of study had an impact on the respondents' current residence and the research showed that more than 50 per cent of those who studied in some Nordic country other than Finland returned to their home country. The rate is almost the same among the students who studied in North-America and most probably the student returned from Central Europe. (Saarikallio-Torp & Wiers-Jenssen 2010, 79-80.)

In the research almost 40 per cent of the graduates who got their degree in some other Nordic country continued to work there. When they made the survey, more than 40 per cent of the graduates with the foreign degree were living abroad. 79 per cent of them were women who usually had a foreign spouse. Almost 80 per cent of those graduates living abroad saw themselves living abroad also after five years. Around 30 per cent of those mobile graduates who lived in Finland believed that in the future they will be living abroad. Several factors influence the decision when people choose their country of residence and there can be some factors which actually prevent people from returning to Finland. In several opinions one of the biggest factor was that they have problems finding a job in Finland. (Saarikallio-Torp & Wiers-Jenssen 2010, 79-80.)

Study field influence on the interest to go abroad

According to Kivinen, Nurmi & Kanervo (2002, 54) highly educated Finnish people are quite interested in working abroad. A research was done among highly educated people from several different study fields and it showed that mostly engineers were interested in working abroad. Also half of the respondents from the

fields of business, social and natural sciences had considered working abroad. Teachers and doctors were not so interested in working abroad. These results made sense because the fields of technique and business are quite similar all over the world and the degree can be adapted to foreign conditions and cultures. (Kivinen et al. 2002, 54.)

From the group of people who considered working abroad, only small part had actually applied for a job abroad. Besides engineers and economists one out of ten of social scientists and humanists had applied for a job abroad. The research showed that people preferred temporarily working abroad more than a permanent job. The most popular country was Sweden. Germany, the USA, the UK and Belgium also had a significant amount of highly educated Finnish workers. The popularity of Belgium is connected with the European Union's Government and it especially attracts people from the fields of social sciences and jurisprudence. Germany mostly attracts people from the fields of business and technique. (Kivinen et al. 2002, 55.)

In the comparison of different European countries Finns were quite active in working and studying abroad. Already in the beginning of the 1990's Finnish students were exploiting possibilities of getting studying and working experiences abroad. The most eager group of students was humanists from which every second had been studying or working abroad in some point of their studies. One third of the students in business and engineering had longer periods of spending time abroad. After graduating one out of ten Finns in the research had worked abroad. (Kivinen et al. 2002, 56.)

The research showed that there was correlation between having studying experiences abroad and working abroad after graduation. People who had studied abroad as a degree student or as an exchange student were more interested in working abroad after graduation. The experience gained from abroad had an effect on the internationality of the current job. The graduates who have international experience and language skills apply for a job in which they can use those skills. One of the five graduates thought that their employer considered international experience as a crucial criterion when hiring them. The merging of Europe and globalization means that highly educated people are expected to be more and more

international. Every third respondent in the research told that their employer company was getting more international. Finnish graduates considered good language skills as an essential factor in getting a job and completing the job. Knowing and understanding of other countries and cultures as well as ability to work in international surroundings were also considered important skills nowadays. (Kivinen et al. 2002, 57.)

5 IMPLEMENTATION OF THE RESEARCH

An online-questionnaire was sent on 16 January 2012 to Finnish students of Savonia University of Applied Sciences by e-mail. The link to the questionnaire was included in the covering message (appendix 1) and the link led the respondent to a Google document which was in a form of a questionnaire (appendix 2). The document saved the answers automatically into an Excel-sheet which could be accessed by a Google mail account. The answers were gathered until 2 February 2012 when almost 400 respondents had answered. A low level of response is a common problem in online-questionnaires but 385 answers in that time period without reminding the respondents were satisfactory.

Students in Varkaus, Kuopio and Iisalmi were included in the research and their study fields are culture, agriculture and rural development, tourism and catering, social services and health care, engineering and technology or business and administration. The respondents were between the age of 19 and 45 and they can be either studying for a bachelor's or master's degree.

According to the secretary of Savonia UAS Varkaus Campus, at the moment there are 5 799 Finnish students studying in the Savonia UAS. This amount includes the 149 students from the field of emergency services but those were not included to the research. According to these numbers the questionnaire was sent to 5 650 Finnish students and when 385 people responded it means that the response rate was around 6.8 per cent. (Sopanen 2012.)

5.1 Information about the target group

There are altogether 6 057 students in the Savonia UAS including adult students and other than degree students. Around 4 600 students are studying in Kuopio and in Iisalmi around 900. Varkaus Campus has around 500 students (Sopanen 2012). The field of social services and health care has around 1 700 students which makes it the biggest individual field of Savonia UAS (Savonia UAS website 2012). The biggest part of Savonia's students is in the fields of engineering and technology and

business and administration but there were fewer respondents from these fields than from social services and health care. Approximately 270 of the students in engineering and technology and business and administration are from abroad and they did not participate in the research.

The Finnish students of Savonia University of Applied Sciences were chosen as the target group because they could be potential trainees or part-time workers in the case company. The case company offers internship placements and summer jobs for students from different study fields. A student can get useful experience from working abroad in an international company and an internship can also be included in the studies. The students are able to get raised financial aids and different grants while completing an internship abroad and a company gets motivated employees who might continue working in the company after completing their studies.

5.2 Questionnaire

The questionnaire included both open questions and questions with multiple choices. The background information asked in the questionnaire was the respondents' age, gender and field of studies. Age was asked as an open question and both gender and study field as a multiple choice. Those things were asked because they might have an effect on the respondent's answer. The first actual question was a multiple choice about in which country the respondent would like to work or do an internship for a Finnish company. The respondent could choose a maximum of three alternatives from the list of given countries. The alternative countries located in Europe were Andorra, Austria, Belgium, Cyprus, the Czech Republic, Denmark, Estonia, France, Germany, Gibraltar, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Monaco, the Netherlands, Norway, Poland, Portugal, Russia, Spain, Sweden, Switzerland, Turkey and the United Kingdom. The Asian countries were China, India, Japan, Lebanon, the Maldives, Singapore, Sri Lanka and Taiwan. The American countries were Canada, Mexico and the USA. The respondent could also mention some other country which was not in the list but all the countries in the list were selected by the CEO of the case company and those are the potential places for establishing a new office. After receiving the answers the top three countries will be evaluated theoretically.

The second question was an open question. The respondent was asked to reason why he/she chose the particular countries. The aim was to find out what factors attract people abroad. The third question was a multiple choice about how long the respondent would like to work abroad. The alternatives were a few months, one year or a couple of years and for the rest of his life. With this question the company can evaluate what kind of workforce they can get from Finland and how willing the people are to commit to working abroad.

In the fourth question the respondent could tell if he/she has certain cities in mind where he would like to work. This question can be useful in future when the company is planning the actual location of their new office. The next question was also an open one and the respondent could mention if there is a country in the list in which he would not like to work. After that he/she could reason why. This question gives information about what things might lower the willingness to work abroad.

The next question was in a form of a scale and there were different factors mentioned which might affect working abroad and selecting the target country. The asked factors were price level, climate, attractiveness of the job, language, culture, size of the country, wage level, location, labor regulations and the employing company. The answering alternatives in the scale were not meaningful, a little meaningful and very meaningful. The respondent could also add some other factor and evaluate its meaning. This question gives important information about people's values and attitudes towards living and working in a foreign country.

6 RESULTS OF THE RESEARCH

The response rate in the research was 6.8 per cent and 385 respondents answered the questionnaire. An average respondent in this research was a female between the age of 19 and 24 studying a degree in the field of social services and health care.

6.1 Background information of the respondents

In the beginning of the questionnaire some background information was asked from the respondents. The age, gender and study field of the respondent were asked because those could have an effect on the answers.

Age of the respondents

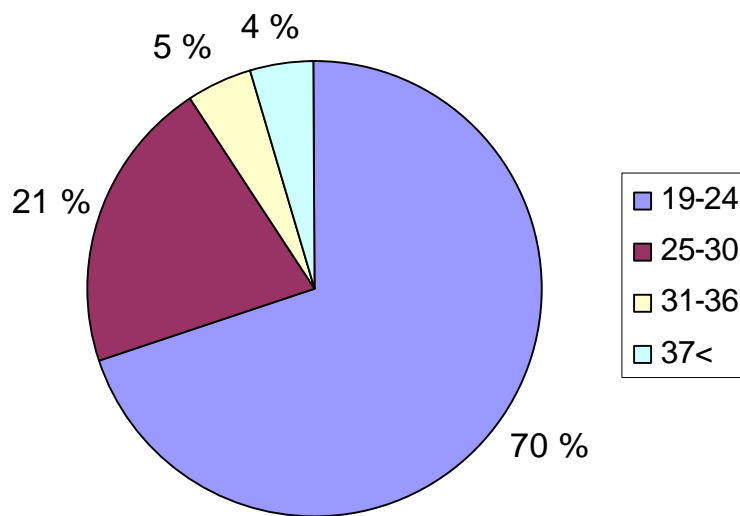


FIGURE 3. The size of different age groups of the respondents (n=385)

Altogether 385 students of Savonia University of Applied Sciences answered the online questionnaire and 268 of them were between the ages of 19 and 24. The second biggest age group was 25 and 30 with 82 respondents. 18 of the respondents were between the ages of 31 to 36 and 17 of the respondents were over 37. The oldest respondent was 45 years old.

Gender of the respondents

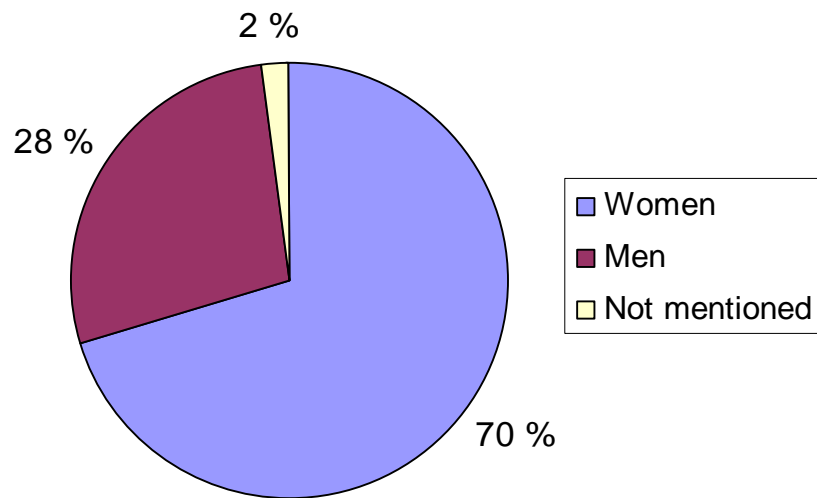


FIGURE 4. Gender of the respondents (n=385)

Most of the respondents in the research were women. From 385 respondents 271 were women, 106 were men and eight respondents did not mention their gender.

Field of study of the respondents

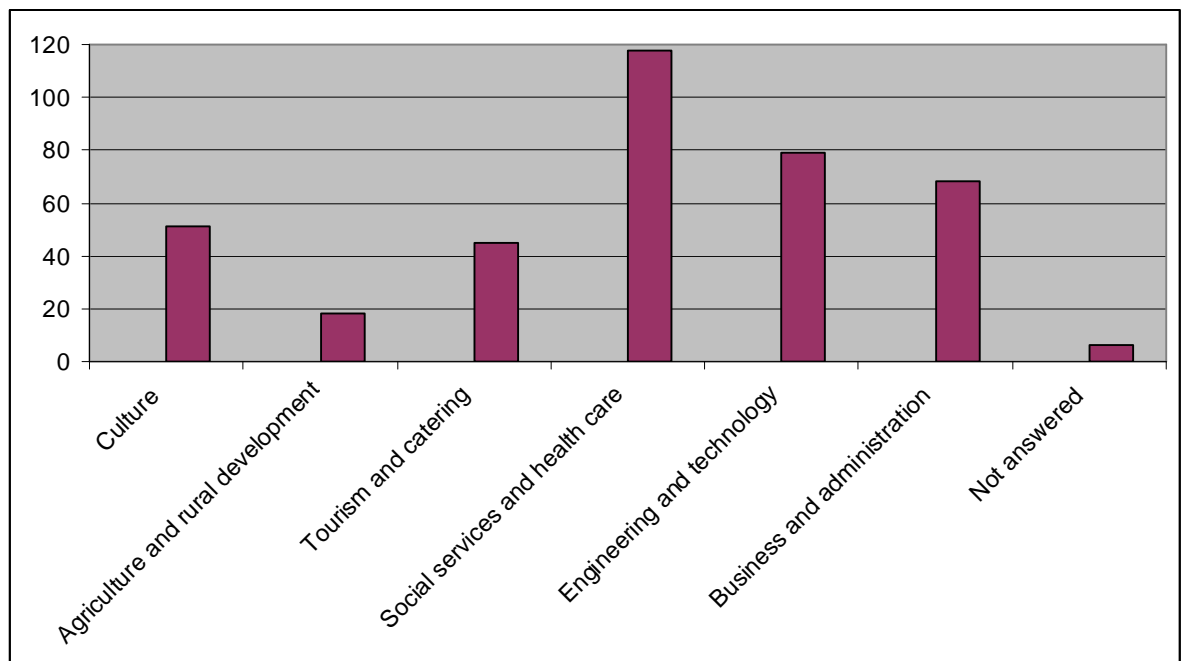


FIGURE 5. Respondents' field of study (n=385)

From the 385 respondents 118 were from the field of social services and health care meaning 31 per cent of all answers. The second biggest field was engineering and technology with 79 respondents meaning 21 per cent of all answers. The percentage of the field of business and engineering was 18 with 68 respondents. The field of culture had 51 respondents meaning 13 per cent of all answers and tourism and catering had 12 per cent with 45 respondents. Five per cent of the respondents were in the field of agriculture and rural development and it means 18 answers. Six of the respondents did not mention their field of study.

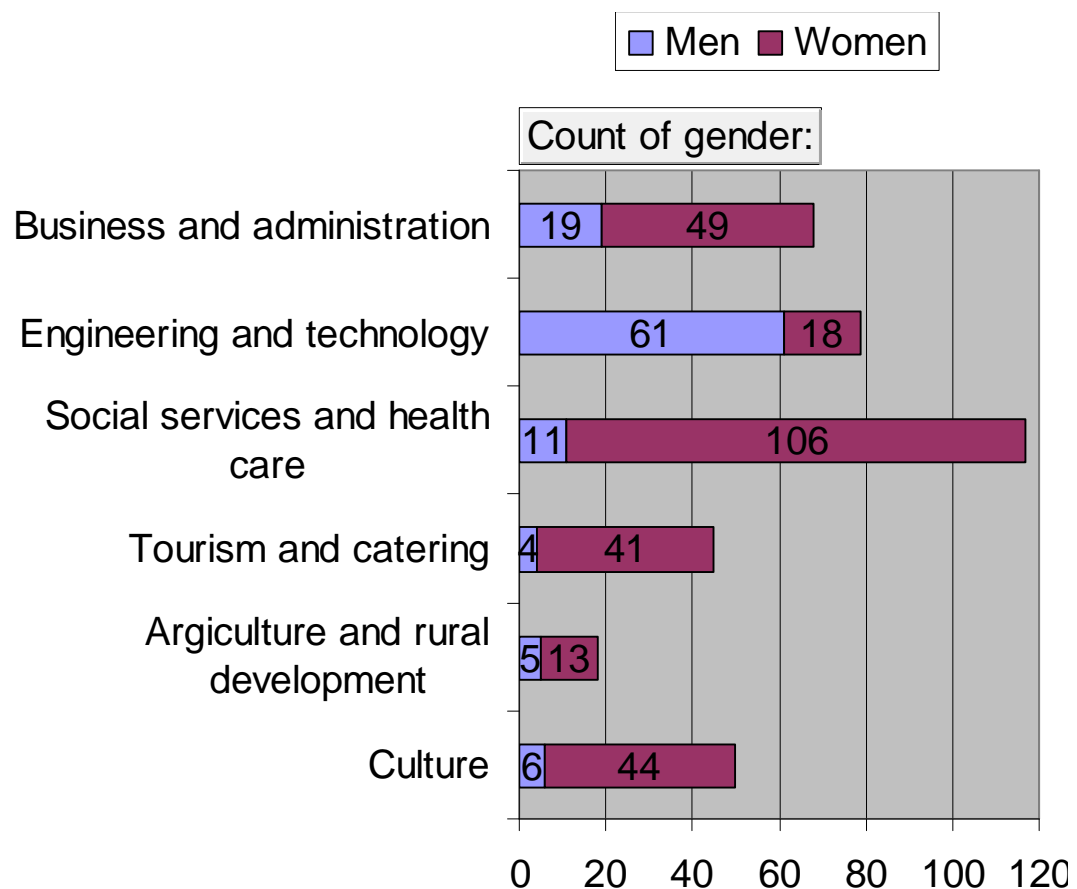


FIGURE 6. Count of gender of the respondents in the different fields of study (n=385)

Figure 6 shows the distribution of men and women in the different fields of study. Women dominate all other fields except engineering and technology. In the field of business and administration 72 per cent of the respondents are women. In the field of social services and health care the amount is 91 per cent. Also 91 per cent of the respondents from tourism and catering field are women. Agriculture and rural

development is the smallest represented field and 72 per cent of those respondents are women. Women are representing 88 per cent of culture students whereas from the field of engineering and technology 77 per cent of the respondents are men.

6.2 Favorite countries to work and reasons behind the selections

The respondent was asked to choose countries where he would like to work or do internship. The respondent was able to select a maximum three of countries from all the given alternatives and there was also a possibility to mention some other country outside the given alternatives.

TABLE 5. The respondents' selection of the countries by continents (n=385)

Europe			
Andorra	3	Latvia	2
Austria	33	Lithuania	1
Belgium	15	Luxembourg	2
Cyprus	14	Monaco	11
Czech Republic	5	The Netherlands	47
Denmark	14	Norway	36
Estonia	10	Poland	1
France	34	Portugal	8
Germany	82	Russia	30
Gibraltar	2	Spain	85
Greece	19	Sweden	78
Hungary	7	Switzerland	32
Iceland	23	United Kingdom	145
Ireland	37	Other	7
Italy	35	Total	818
Asia		America	
China	38	Canada	108
India	20	Mexico	26
Japan	70	USA	154
Lebanon	4	Other	11
Maldives	24	Total	299
Singapore	33		
Sri Lanka	11		
Taiwan	6		
Turkey	10		
Other	24		
Total	240		

Table 5 shows the popularity of the countries by continent. Most of the selected countries are among European countries and second most among American countries. Asian countries got around 60 selections less than American. The most often selected countries from each continent are the United Kingdom in Europe, the USA in America and Japan in Asia. The percentage share of the United Kingdom from all the selected European countries is 18. The USA has 52 per cent of all selections made among American countries and Japan has 29 per cent of selections in Asian countries.

The respondents mention some other interesting countries to work which are not mentioned in the list. The most often selected country is Thailand which is mentioned by 14 respondents. Australia and New Zealand are both mentioned by five respondents. The Arab Emirates, Bali, Brazil, Caribbean, Chile, Cuba, Malaysia, Peru, the Philippines, Romania and Scotland are countries selected by individual respondents.

TABLE 6. All selected countries listed by the popularity among the respondents (n=385)

USA	154
United Kingdom	145
Canada	108
Spain	85
Germany	82
Sweden	78
Japan	70
The Netherlands	47
China	38
Ireland	37
Norway	36
Italy	35
France	34
Austria	33
Singapore	33
Switzerland	32
Russia	30
Mexico	26
Maldives	24
Iceland	23
India	20
Greece	19
Belgium	15
Cyprus	14
Denmark	14
Monaco	11
Sri Lanka	11
Estonia	10
Turkey	10
Portugal	8
Hungary	7
Taiwan	6
Czech Republic	5
Lebanon	4
Andorra	3
Gibraltar	2
Latvia	2
Luxembourg	2
Lithuania	1
Poland	1
Total	1315

Table 6 shows all the countries of the research in a descending order by the popularity. The table includes only the countries which were given in the questionnaire and not the respondents' own suggestions. The three most often selected countries are the USA, the United Kingdom and Canada. From the total

amount of selections the USA has around 11 per cent, the United Kingdom around ten per cent and Canada eight per cent. The respondents were able to name cities in which they would like to work in the selected countries. 37 per cent of the respondents had no favorite city and the most often mentioned cities were New York in the USA, London in the United Kingdom and Vancouver in Canada.

Reasons behind the popularity

The respondents were able to tell in an open question which factors have an effect on their decision to choose a country. Most of the respondents mentioned one or two reasons which have the biggest influence on their willingness to work in that particular country.

TABLE 7. Reasons affecting the selection of the country mentioned by the respondents (n=385)

Country is interesting	118
Language	78
Culture	70
You can manage with English in the country	24
Previous experiences and knowledge about the country	21
Climate and nature	19
Country is similar to Finland	17
Good living standard	14
Country is near to Finland	11
Image of the country	8
Country is different from Finland	6
Safety and cleanliness	5
Location	5
Good wages	4
Hobbies	2
Development of the country	2
Health care	1
Price level	1
Total	406

The most common reason for a respondent to select a country is the general interest towards the country. From the respondents who tell some reason for their selection 118 mention their general interest towards the selected country. The next common reason is the language of the selected country. Some of the respondents speak the language of the selected country and it is affecting their decision. Some

respondents mention that they would like to improve their language skills or learn the language of the selected country. The culture is almost as often mentioned as the language. Some respondents mention that they are interested in different kind of culture and some respondents tell that they selected countries in which the culture is quite similar to that of Finland.

Over 20 respondents state that they selected a country in which it is possible to manage with English and it is not necessary to learn any new language. Previous experiences and knowledge about the selected country is important for 21 respondents. Some respondents tell that they have for example made some holiday trips or some other short visits to the country previously and would like to go back and stay longer. Several respondents also mention that they have heard opinions of their friends or relatives about some country and it inspired them.

The next most often mention factors concerning the selected country are the climate and nature of the country, the country is similar to Finland, the standard of living is good and the location is near to Finland. Less than ten respondents mention the image of the selected country, the country is different compared to Finland, safety and cleanliness, location, good wages, leisure-time possibilities, development of the country, health care and price level.

Countries which are not appealing

The respondents were asked to choose three countries where they would like to work from a list of countries and from the same list they could choose countries where they would not want to work. They were also able to tell reasons why they do not want in this particular country.

TABLE 8. The ten most often mentioned countries where the respondents do not want to work (n=385)

Russia	74
Turkey	38
all Asian countries	34
Lebanon	33
China	20
India	17
Creek	15
Poland	13
Hungary	12
Estonia	11

TABLE 9. The ten most often mentioned reasons why a country is not appealing (n=385)

Culture is very different	58
Unsafe country	44
Lack of language skills	36
Too far away	9
Prejudices and bad reputation	9
Economical problems	8
Too close to Finland	7
Unpleasant surroundings	5
Attitude towards women	5
Country is not interesting	4

Russia is mentioned most often among the countries where the respondents do not want to work. The most common reasoning is that Russian culture differs a lot from Finnish culture. Several respondents mention that they consider Russia as an unsafe country and the language is difficult to learn. Turkey is the second most unpopular country among the respondents and the reasoning is quite similar to that of Russia. Some female respondents think that women's status in Turkey is not good and that makes it an unpleasant country to live.

Asian countries in general are not appealing to some respondents and the main concerns about it are the unfamiliar culture and language. The fact that Asian countries are far away from Finland is also a problem for some respondents. Some respondents mention that if they go to work abroad they do not want to stay too

near Finland and because of that several respondents do not want to work in Estonia or Russia. Sweden is also considered to be too close to Finland but it does not fit in to the list of ten most unpopular countries.

Insecurity is the second most common reason to select a country where the respondents do not want to work. Mostly the insecurity is related to criminality and human rights but some respondents also mention that economical insecurity for example in Greece makes it an unpleasant country to work in. Criminality and human right issues are the most often related to Asian countries and also to Russia and Mexico. A couple of respondents mention that they would not want to work outside Europe because they consider it unsafe.

Lack of language skills is the third common reason to select a country where not to go. Russia is often mentioned in the case of language but France is also mentioned almost as often. The respondents think that to be able to manage in France you have to speak French. Several Asian countries and Estonia, Poland, Norway, Sweden and Andorra are considered countries in which you can not manage well with English. Prejudices concerning the language, culture and people are also a reason for some respondents to stay away from some countries. Russia, Turkey, Taiwan and Lebanon raise most doubts. The respondents have heard bad things about these countries from their friends and relatives and the image of the countries is not so good in the media.

Unpleasant surroundings are also a reason for some respondents not to work for example in India, Turkey, Poland and Russia. They mention for example bad infrastructure, waste, diseases, poorness and too hot weather to be reasons which make a country repulsive. Either do the respondents not want to work in a country which is not interesting in general. Sweden and Estonia are considered too similar to Finland and some respondents are not interested in China and Russia.

Besides the already mentioned reasons there are some other reasons which are mentioned by one to four respondents. They mention lack of human rights, too similar culture compared to Finland, low standard of living, too cold country, bad image of the country, low level of hygiene, too much people/too crowded, climate/pollution, religion, wage level, working conditions, local people, political

situation, bad health care, high price level, too familiar country, too much tourists and the history of the country.

6.3 Importance of the different factors concerning working abroad

The aim of the questionnaire was to find out the most popular countries to work in and the reasons which might have an effect on to the respondents' decisions. One question in the questionnaire was designed to find out how long a respondent is willing to work abroad. The respondent was asked how long he/she is willing to stay abroad and the alternatives were a couple of months, one or a couple of years or the rest of his life.

Preferred duration of the residency abroad

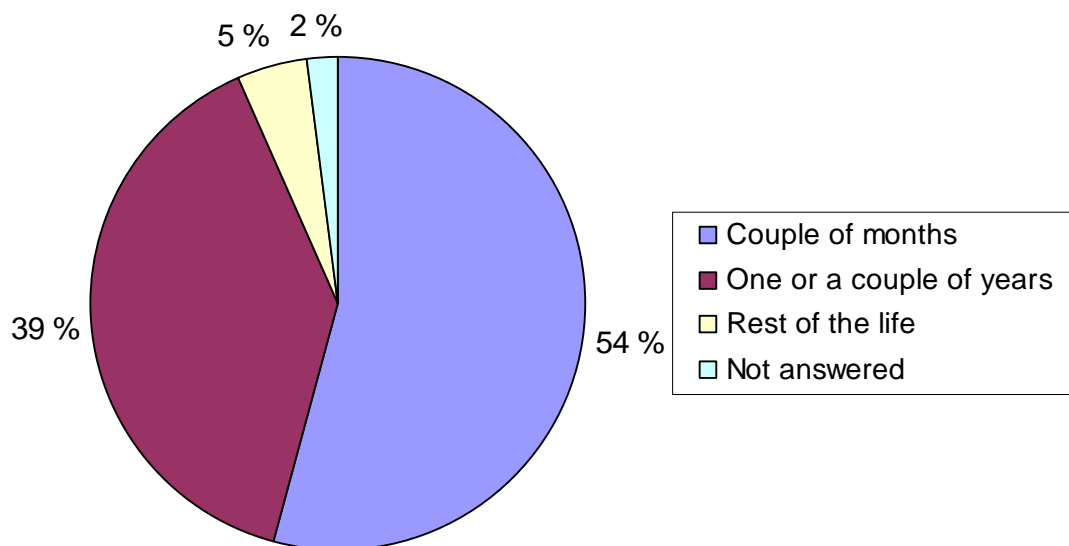


FIGURE 7. Preferred duration of the residency (n=385)

Figure 6 shows how long the respondents are willing to stay abroad in the selected country. Over half of the respondents, 209 would like to stay abroad a couple of months and 150 respondents are ready to stay one or a couple of years. Only five per cent, 19 respondents would like to live the rest of their lives abroad and seven respondents do not share their opinion.

The respondents were given different factors and they were asked to evaluate those to be very, a little or not meaningful concerning living and working abroad.

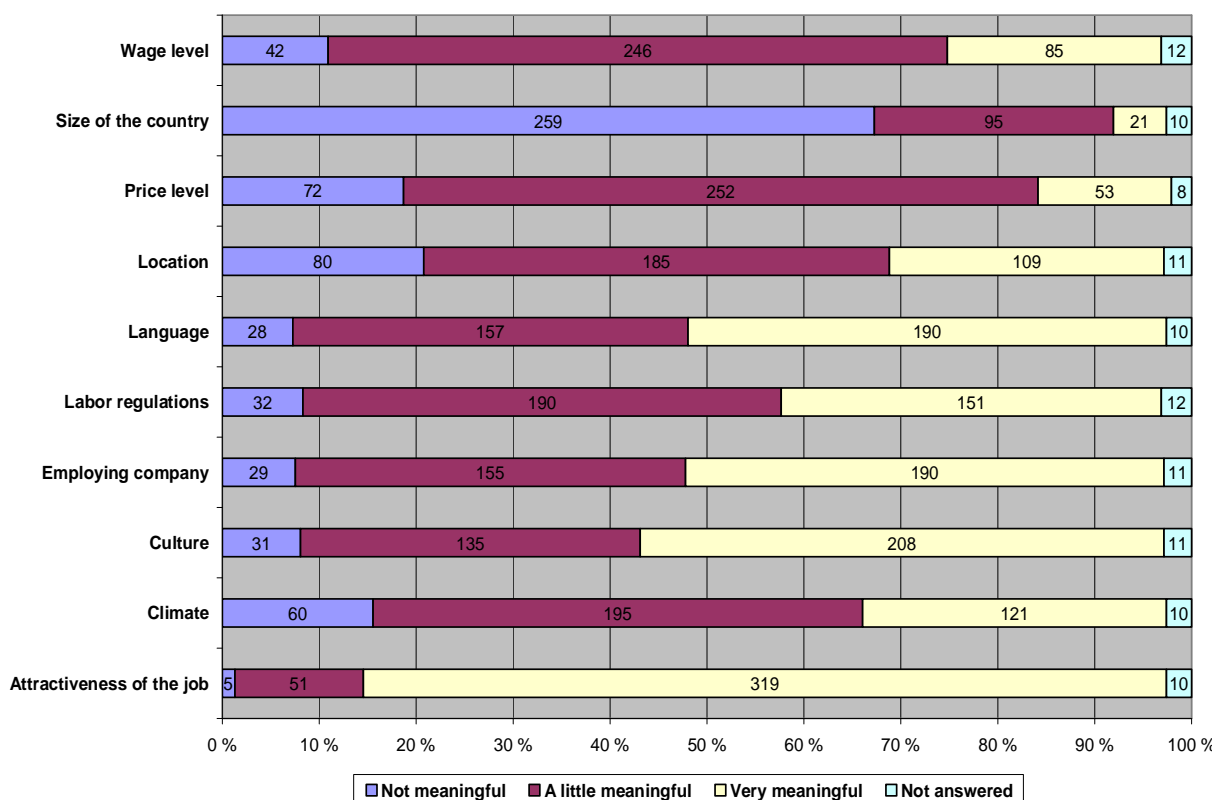


FIGURE 8. Importance of the different factors concerning working abroad (n=385)

According to 83 per cent of the respondents the attractiveness of the job is considered as a very important factor when working abroad. It has a little importance to 13 per cent of the respondents and only one per cent thinks it is not a meaningful factor. The climate of the target country is very meaningful to 31 per cent of the respondents. Over 50 per cent of the respondents consider it as a little meaningful factor and 16 per cent think it has no meaning. The culture of the target country is very meaningful to 54 per cent of the respondents and 35 per cent think it has a little meaning. Only eight per cent consider it as a meaningless factor.

The employing company is a very important factor to 49 per cent of the respondents. It has a little importance to 40 per cent and eight per cent think it is not important. The labor regulations of the target country are very meaningful to 39 per cent of the respondents and 49 per cent think it is quite a meaningful factor. It has no meaning to eight per cent of the respondents. The language of the target

country is very meaningful to 49 per cent of the respondents and quite meaningful to 41 per cent. Seven per cent think it is not a meaningful factor.

The location of the target country is considered as quite an important factor by 48 per cent of the respondents and 28 per cent consider it as very meaningful. It is not a meaningful factor to 21 per cent of the respondents. The price level in the target country has a little meaning to 65 per cent of the respondents and to 19 per cent is has no meaning. Only to 14 per cent of the respondents it is very meaningful. The size of the target country has no meaning to 67 per cent of the respondents and 25 per cent think it has a little meaning. To five per cent it is a very meaningful factor. The wage level in the target country has a little meaning to 64 per cent of the respondents and very meaningful it is to 22 per cent. It has no meaning to 11 per cent.

The safety and political situation of the target country is the most often mentioned as a very important factor in addition to the given alternatives. This is a compatible answer with the earlier question concerning the factors why the respondents do not want to work in some countries. The insecurity of the country was the second most often mentioned reason not to go to some country. Combining of the work and the family is also a meaningful thing to some respondents. This concerns mostly respondents who have a spouse or/and children and the whole family is going abroad. It is important that also the spouse has a job abroad if the duration of the residence is long. It is also important that children are able to go to school or have a day care while parents are working.

Some respondents also mention that religion and human rights are very important factors concerning the target country. For example living and working in an Islamic country can be difficult for a person who has a different religion. Furthermore, it can be difficult to work in a country where it is known that human rights are not obeyed according to regulations. Local people and their cultural background can also have an effect on feeling comfortable in a foreign country. Especially if there is no common language between the local people and a foreigner it is difficult to settle in. Some cultures are more welcoming than others and it is important to some respondents to feel accepted in a foreign country.

A couple of respondents also mention the standard of living as a very important factor when choosing a target country. Even if the respondent is willing to learn about a totally different culture it might be difficult to live in really poor surroundings. It was also mentioned in the earlier question why some countries are not appealing. The factors concerning the job abroad are also very important to some respondents. Workmates, working conditions and the values of the company are mentioned as very or quite important factors. Even if the company is Finnish and colleagues are Finnish it is important that the working atmosphere is good. If there are workmates representing several nationalities it is important that there is a common language and guidelines in the company.

Individual respondents mention the following things to have an affect on their decision: level of hygiene, nature and geography, attractiveness of the country, other people's opinions about the country, earlier contacts to the country, travelling connections to other countries, previous knowledge about the country, possibility for promotion, the position of the branch in the country, snuff is legal, travelling connections to Finland, available sports events, leisure time activities and organizing of the apartment and other things.

6.4 Relations between the respondents' background and other factors

Relation between the respondents' background and their answers was evaluated and the results show that there are some questions in which the background of the respondents has an effect on the answer.

TABLE 10. Relation between the respondent's age and the duration of the residency (n=377)

	19-24 years	25-30 years	31-36 years	37 < years	Total	Total %
Rest of the life	5 %	4 %	6 %	6 %	18	5 %
Couple of months	56 %	50 %	50 %	76 %	209	55 %
One or a couple of years	39 %	46 %	44 %	18 %	150	40 %
Total	n= 264	n= 78	n= 18	n= 17	n= 377	100 %
Sum %	100 %	100 %	100 %	100 %		

From table 10 it can be seen the relation between the age of the respondent and how long he is willing to work abroad. A couple of months is the most common alternative for all of the respondents but only some respondents over 31 years would be ready to stay one or a couple of years abroad. Only two respondents over 31 years would be ready to stay the rest of their lives abroad. The table shows that the respondents over 31 are not so eager to go abroad for long periods of time. Reasons for that could be things like current career, spouse, children and money.

TABLE 11. Relation between the respondents' field of study and the duration of the residency (n=378)

	Culture	Agriculture and rural development	Tourism and catering	Social services and health care	Engineering and technology	Business and administration	Total	Total %
Rest of the life	8 %	11 %	5 %	1 %	4 %	9 %	19	5 %
Couple of months	39 %	56 %	55 %	67 %	49 %	56 %	209	55 %
One or a couple of years	53 %	33 %	41 %	32 %	47 %	35 %	150	40 %
Total	n= 51	n= 18	n= 44	n= 117	n= 79	n= 68	n= 378	100 %
Sum %	100 %	100 %	100 %	100 %	100 %	100 %		

Table 11 shows, that there seems to be some kind of a relation between the respondent's field of studies and the duration of the residency. Most of the respondents studying culture are willing to stay one or a couple of years abroad whereas most of the respondents studying agriculture and rural development are willing to stay only a couple of months. Most of the respondents from the field of tourism and catering are also willing to stay couple of months abroad as well as most of the respondents from the field of social services and health care.

The respondents from the field of engineering and technology are almost equally willing to stay either a couple of months or one or a couple of years. Couple of months is the most commonly chosen alternative among the respondents from the field of business and administration. 11 per cent of the respondents from the field of agriculture and rural development, nine per cent of the respondents from the business and administration and eight per cent from the culture are willing to stay the rest of their lives abroad.

TABLE 12. Relation between the gender of the respondent and the importance of the different factors concerning working abroad (n=373-377)

Attractiveness of the job	Man	Woman	Total	Total %
Not meaningful	1 %	1 %	5	1 %
A little meaningful	13 %	14 %	51	14 %
Very meaningful	86 %	85 %	319	85 %
Total	n= 105	n= 267	n= 375	100 %
Sum %	100 %	100 %		
Climate	Man	Woman	Total	Total %
Not meaningful	23 %	13 %	60	16 %
A little meaningful	53 %	51 %	195	52 %
Very meaningful	24 %	35 %	121	32 %
Total	n= 104	n= 269	n= 376	100 %
Sum %	100 %	100 %		
Culture	Man	Woman	Total	Total %
Not meaningful	11 %	7 %	31	8 %
A little meaningful	41 %	34 %	135	36 %
Very meaningful	48 %	58 %	208	56 %
Total	n= 104	n= 267	n= 374	100 %
Sum %	100 %	100 %		
Employing company	Man	Woman	Total	Total %
Not meaningful	10 %	7 %	29	8 %
A little meaningful	36 %	43 %	155	41 %
Very meaningful	54 %	50 %	190	51 %
Total	n= 103	n= 268	n= 374	100 %
Sum %	100 %	100 %		
Labor regulations	Man	Woman	Total	Total %
Not meaningful	10 %	8 %	32	9 %
A little meaningful	62 %	47 %	190	51 %
Very meaningful	29 %	45 %	151	40 %
Total	n= 104	n= 266	n= 373	100 %
Sum %	100 %	100 %		
Language	Man	Woman	Total	Total %
Not meaningful	12 %	6 %	28	7 %
A little meaningful	45 %	41 %	157	42 %
Very meaningful	43 %	54 %	190	51 %
Total	n= 105	n= 267	n= 375	100 %
Sum %	100 %	100 %		

Location	Man	Woman	Total	Total %
Not meaningful	25 %	20 %	80	21 %
A little meaningful	49 %	50 %	185	49 %
Very meaningful	27 %	30 %	109	29 %
Total	n= 105	n= 266	n= 374	100 %
Sum %	100 %	100 %		
Price level	Man	Woman	Total	Total %
Not meaningful	24 %	17 %	72	19 %
A little meaningful	59 %	70 %	252	67 %
Very meaningful	17 %	13 %	53	14 %
Total	n= 105	n= 269	n= 377	100 %
Sum %	100 %	100 %		
Size of the country	Man	Woman	Total	Total %
Not meaningful	65 %	71 %	259	69 %
A little meaningful	25 %	26 %	95	25 %
Very meaningful	10 %	4 %	21	6 %
Total	n= 103	n= 269	n= 375	100 %
Sum %	100 %	100 %		
Wage level	Man	Woman	Total	Total %
Not meaningful	12 %	11 %	42	11 %
A little meaningful	64 %	67 %	246	66 %
Very meaningful	24 %	22 %	85	23 %
Total	n= 104	n= 266	n= 373	100 %
Sum %	100 %	100 %		

According to table 12 there is not a significant relation between the gender of the respondent and the importance of different factors concerning working abroad. Most of the men and women respondents consider the attractiveness of the job as a very meaningful and climate a little meaningful factor. Culture and employing company are considered as very meaningful factors by both men and women and labor regulations are considered as quite important factor by both genders.

Language is the only factor where there is a difference between the opinions of men and women. Most of the men think it is a little meaningful factor and most of the women think it is a very meaningful factor. Location and price level of the country are considered a little meaningful factor by both men and women. Size of the country is meaningless for the most of the men and women and the wage level has a little meaning for both genders.

[illegible]

Price level	Culture	Agriculture and rural development	Tourism and catering	Social services and health care	Engineering and technology	Business and administration	Total	Total %
Not meaningful	27 %	22 %	20 %	15 %	24 %	12 %	72	19 %
A little meaningful	63 %	72 %	66 %	74 %	53 %	72 %	252	67 %
Very meaningful	10 %	6 %	14 %	10 %	23 %	16 %	53	14 %
Total	n= 51	n= 18	n= 44	n= 117	n= 79	n= 67	n= 377	100 %
Sum %	100 %	100 %	100 %	100 %	100 %	100 %		
Size of the country	Culture	Agriculture and rural development	Tourism and catering	Social services and health care	Engineering and technology	Business and administration	Total	Total %
Not meaningful	59 %	67 %	70 %	70 %	72 %	73 %	259	69 %
A little meaningful	31 %	33 %	27 %	26 %	18 %	24 %	95	25 %
Very meaningful	10 %		2 %	3 %	10 %	3 %	21	6 %
Total	n= 51	n= 18	n= 44	n= 117	n= 78	n= 66	n= 375	100 %
Sum %	100 %	100 %	100 %	100 %	100 %	100 %		
Wage level	Culture	Agriculture and rural development	Tourism and catering	Social services and health care	Engineering and technology	Business and administration	Total	Total %
Not meaningful	14 %	17 %	9 %	15 %	13 %	2 %	42	11 %
A little meaningful	67 %	61 %	75 %	63 %	58 %	76 %	246	66 %
Very meaningful	20 %	22 %	16 %	23 %	29 %	23 %	85	23 %
Total	n= 51	n= 18	n= 44	n= 115	n= 78	n= 66	n= 373	100 %
Sum %	100 %	100 %	100 %	100 %	100 %	100 %		

According to table 13 there seems to be a small relation between the respondent's field of study and some factors concerning working abroad. The attractiveness of the job is a very important factor for most of the respondents from the all fields of study. The climate has a little meaning for most of the respondents from different fields, the only exception is that an equal amount of respondents from the field of tourism and catering consider it as a very meaningful factor.

Culture divides opinions among the respondents from the different studying fields. Most of the students of agriculture and rural development and engineering and technology consider culture as a little meaningful when most of the respondents of other fields consider it as a very meaningful factor. The employing company has a little meaning for most students of agriculture and rural development and social services and health care whereas it is very meaningful for most respondents of other fields.

The labor regulations are quite meaningful for most respondents of all different fields of study. Among the respondents from the fields of culture, agriculture and rural development and social services and health care the labor regulations are considered equally often as quite meaningful and very meaningful. The language is considered as a very meaningful among most respondents. Most of the respondents from the fields of culture and engineering and technology consider language a little meaningful factor and respondents from the agriculture and rural development think it equally often as a quite meaningful and a very meaningful factor.

The location and price level are considered as a little meaningful factor among the respondents from every field. The size of the country is not meaningful for the most of the respondents equally in all of the studying fields and the wage level is a little meaningful for most of the respondents regardless the field of study.

7 COMPARISON OF THE POTENTIAL COUNTRIES

Theoretical analysis of the three most popular countries will consist of practical issues related to establishing an office abroad and working and living in the target country. These factors will include for example basic facts about the country, starting a business, taxation, labour laws and regulations, living standard, basic living, infrastructure and company laws and regulations.

7.1 The USA

The United States was the most popular country among the respondents of the research. It was selected 154 times which means 11.3 per cent of all selections. The USA has been a popular country among the Finnish emigrants since the 15th century when the first Finns moved to a Swedish colony in Delaware. A bigger number of emigrants moved to the USA in the 1880's and in the beginning of the 1900's emigration reached a peak. (Ministry for Foreign Affairs of Finland 2012.)

At the moment there are around 650 000 Finnish emigrants and their descendants in the USA. According to a census completed in 2000 most of the emigrated Finns live in the states of Michigan, Minnesota and California. In addition around 30 000 Finns spend their winters in Florida and every year thousands of students come to the USA to study and work (Ministry for Foreign Affairs of Finland 2012). The USA is the most popular country outside the EU for the Finnish degree students who study abroad. In 2010-2011 there were 337 Finnish students who received the studying fees of the Social Insurance Institution of Finland in 2010-2011 (Maailmalle.net 2012).

General information

The population of the USA is estimated to be 313 847 465 in the July 2012. The main languages are English and Spanish and the main ethnic groups are white (~80%), African American (~13%), Asian (~5%), Alaska natives and Amerindian (~1%) and native Hawaiian and other Pacific islanders (~0.2%). Around 15 per cent of the total population of the USA is Hispanic. They are Mexican, Cuban, Puerto

Rican, Dominican Republic, Spanish and Central or South-American origin who live in the United States and they represent any race or ethnic group. The main religions of the USA are Protestant (~52%), Roman Catholic (~24%), Mormon (~2%) and other smaller groups. (Central Intelligence Agency 2012.)

The estimated population growth rate in 2012 is 0.899 per cent and the median age in the USA is 36.9 years. The major cities of the country are New York with a population of 19.3 million people, Los Angeles 12.6 million, Chicago 9.1 million, Miami 5.6 million and the capital Washington D.C. 4.4 million. The climate in the USA is mostly temperate but tropical in Hawaii and Florida and arctic in Alaska. The currency is US dollar which is 0.76 Euros (12 March 2012). (Central Intelligence Agency 2012.)



FIGURE 9. Map of the USA (Central Intelligence Agency 2012)

Starting a business

The basic attitude of the US government is to encourage foreigners to establish businesses. It is quite easy for immigrants to start a business in the US and only some regulations and immigration issues must be applied. The advantages of starting a business in the US are for example openness to outsiders to enter the markets, fewer regulations and restrictions compared to most of the countries and highly developed consumer markets. The disadvantages in establishing a business in the US are for example intense competition in several business areas and

varying laws from state to state. Starting a business in the US usually requires legal assistance from a local expert. (Frazier & Haigh 2004, 127.)

Even though there are different regulations in different states, general regulations include requirements for certificate of occupancy, business license and name and bar coding ID. Some regulations depend on the industry and those should be checked out with a local lawyer before starting the business. A business license is required in every city and county of the US and most of the time it is also required to have a certificate of occupancy. The company name must be fictitious and other than the owner's name but it is not necessary to register name if the company is operating under a corporate or partnership name. If a company wants to sell its products in the US stores it needs a bar coding ID but in the service company it is not needed. (Frazier & Haigh 2004, 128-129.)

Many businesses require an insurance for property which covers the value of the property, for liability which covers the damages related to the business, for the key person which covers the loss of key individuals, for the officer and director which covers potential personal liability and for business interruption which covers the fixed expenses during a temporary pause in business operations. Every business is required to pay both federal and state income tax from the earnings of the business and from the wages of the employees. In addition social security costs are paid from the wages of the employees and sales tax from the sold items. Every company must have sales tax number even though they are selling services instead of products. Depending on the company's size and form it can be required to pay an unemployment insurance tax, sole proprietorship taxes, partnership taxes and corporate taxes. (Frazier & Haigh 2004, 138-139.)

TABLE 14. Procedures in starting a business in the USA (International Finance Corporation 2012)

Procedures	Time to complete (days)	Costs
Reserve the name, file the articles of organization, adopt company's operating agreement	1	around 200€
Apply federal identification number (for tax and employer purposes)	1	no charge
Register to collect State sales tax	1	no charge
Register as an employer with the Unemployment Insurance Division	1	no charge
Arrange for worker's compensation insurance and disability insurance	1	no charge
Arrange for publication and submit certificate and affidavits of publication	1	around 300€

The USA is evaluated as the OECD high income country and it takes six procedures to establish a business there. Completing these procedures should not take more than six days (International Finance Corporation 2012). Table 14 explains the procedures, time and money required in starting a business in the USA. The first step is to reserve the company name and define the operations. The next step is to get a federal identification number and then register for the state sales tax and as an employer. Finally the company needs to arrange the needed insurances and publication. There can be variation in the procedures from state to state but in general it is quite simple to start a business and money is needed only when delivering some documents. (International Finance Corporation 2012.)

A permission to work legally in the US is required from all foreign workers. Different requirements, conditions and authorized periods of stay are set for each employment category for admission and it is important to obey these terms to avoid removal or denial of re-entry into the country. A temporary worker can enter the US temporarily for a specified purpose and this nonimmigrant is restricted to the activity for which his visa was issued. A permanent worker is authorized to permanently live and work in the US. Under some circumstances also students and exchange

workers are allowed to work in the country. (US Citizenship and Immigration Services 2012.)

An employer must prove that an individual who they are planning to hire is authorized to accept a job in the US. A person who has admission as a permanent resident, a refugee or work related nonimmigrant can have an employment authorization directly. Some other foreigners might have to apply for employment authorization individually. Temporary visitors for business purposes need to obtain a B-1 visa unless they are qualified for admission without a visa under the Visa Waiver Program. (US Citizenship and Immigration Services 2012.)

The Visa Waiver Program reduces barriers to travel to the US and increases tourism industry. A person from Andorra, Australia, Austria, Belgium, Brunei, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, the Netherlands, New Zealand, Norway, Portugal, San Marino, Singapore, Slovakia, Slovenia, South Korea, Spain, Sweden, Switzerland or the United Kingdom is allowed to enter the US without a visa as a visitor or a business traveler if he has not violated any terms of a previous nonimmigrant visa. A person can stay in the US for a maximum of 90 days for tourism or business if his passport meets the set requirements. (Immihelp.com 2012.)

Business form and taxation

A Limited Liability Company is a popular form of a business in the USA because the owners' liabilities for the debts and the actions of the company are limited. A LLC provides management flexibility, the benefit of pass-through taxation and the members can include individuals, corporations, other LLCs or foreign entities. There are no limitations in the number of the members and most of the states also allow single member LLCs having only one owner. This company form must file a corporation, partnership or sole proprietorship tax return and a single member business entity can choose to be an association taxable as a corporation or a disregarded entity where an entity is separated from its owner. (Internal Revenue Service United States Department of the Treasury 2012.)

The United States tax law treats a Limited Liability Company pass-through basis meaning that a single member LLC is disregarded for tax purposes and a LLC with two or more members is treated as a partnership or as a corporation. In all cases taxation will be applied to the members and not to the LLC. If the members are foreign persons they will be taxed on all income what is effectively related to conducting business in the US. (United States Company Tax Site 2012.)

A foreign source income will unlikely be taxed as US income if a foreign person's LLC does not have a US office or an agent in the US. If a foreign owner of a LLC has an office in the US it is not considered to be a material factor in the realization of income unless the office provides a significant contribution by being an essential economic element. Expenses, deposit income and accounting activities can be paid by an administrative office in the US but because of those activities export income will not be taxed by the authorities. (United States Company Tax Site 2012.)

In addition to the federal income tax companies should pay state income tax which is also applied to the owners of the LLC's rather than to the company itself. Foreign companies and most incorporated commercial organizations will pay federal income taxes which are applied to the income coming from the business activities in the US. The state income tax will be applied in all of the states where a business has qualifying activity. If the organization has a center which derives income from several sources in a state, owns or rents property, employs personnel there or has capital in the state, it is required to pay state income tax. (United States Company Tax Site 2012.)

Working regulations

As an example according to the labor regulations published by the state of New York, an employer is required to pay minimum wage according to the federal rate to its employees unless it is exempt from the requirements of federal law. Generally an employer is required to pay overtime pay for hours over 40 in the work week and because of this breaks, paid sick-days, vacations and holidays are not considered working hours unless the employer has a different policy. The labor law of New York requires that employees must be paid no less frequently than semi-monthly. All businesses that pay wages to employees have to withhold a percentage and

deposit them periodically for the government using federal tax ID number. (The NYC Small Business Resource Center 2012.)

New York state law requires an employer to have a Worker's Compensation Insurance which provides compensation for an employee in case of injury which happens on the job. A disability benefits law requires an employer to have a Disability Coverage Insurance which replaces income lost caused by non-occupational disability. Self-employed individuals are not required to have this insurance but most of the insurers permit them to purchase it. An Unemployment Insurance is also required and it obligates an employer to cover employees the loss of income when they lose their job due to circumstances out of their control. The last required insurance is the New York State Disability Benefits Insurance which compensates an employee for loss of income caused by an injury or illness which is not caused by the job. (The NYC Small Business Resource Center 2012.)

7.2 The United Kingdom

The United Kingdom was the second most popular country in the research and 145 respondents choose it as a tempting country to work in. From all selections made by the respondents the UK got 10.7 per cent. It is evaluated that there are around 20 000 Finnish emigrants in the United Kingdom and most of them live in London (Ministry for Foreign Affairs of Finland 2012). The UK is the most popular country among the Finnish degree students who are studying abroad. In the British universities there were 1 727 Finnish degree students who received the studying fees of the Social Insurance Institution of Finland in 2010-2011 (Maailmalle.net 2012).

General information

The population of the United Kingdom is estimated to be 63 047 162 in the July 2012. The main languages are English and Scots. Around 92 per cent of the population are white and from those about 84 per cent English, about nine per cent Scottish, about five per cent Welsh and about three per cent Northern Irish. Around two per cent of the population is African origin and smaller percentages represent other nationalities. The main religion is Christianity and around 72 per cent of the

population is Anglican, Roman Catholic, Presbyterian or Methodist. (Central Intelligence Agency 2012.)

Population growth rate is estimated to be 0.553 per cent in 2012. The median age in the UK is 40 years. The major cities of the country are the capital London where the population is around 8.6 million people, Birmingham 2.3 million, Manchester 2.2 million, West Yorkshire 1.5 million and Glasgow 1.1 million. Climate in the UK is temperate and more than half of the days are overcast. Used currency is British pound which is 1.19 Euros (12 March 2012). (Central Intelligence Agency 2012.)



FIGURE 10. Map of the United Kingdom (Central Intelligence Agency 2012)

Starting a business

It is quite straightforward to start a business in the UK. Taxation is relatively low and procedures for establishing a business are simple. There is not any restriction for foreigners owning businesses and there is no minimum level of capital for starting a limited company. If a person is in the UK legally he has a right to own a business there. A negative aspect in the UK business scene is the high competitiveness and the sector of services is highly developed. Telecommunications, commercial expenses and office rental can be expensive and in London rental expenses are exceptionally high. (Haigh 2004, 111.)

Employers are obliged to have insurances to cover liability for work related injuries and diseases of their employees. Other insurances are optional. Compared to other European countries taxation rates in the UK are low. A company is required to pay VAT tax if the value of its goods and services exceed a certain limit during one year. An employer deducts the employees' tax and the national insurance contribution from the wages. A company is also obliged to pay income and corporation taxes. (Haigh 2004, 123.)

TABLE 15. Procedures in starting a business in the United Kingdom (International Finance Corporation 2012)

Procedures	Time to complete (days)	Costs
Check company name for uniqueness	1	no charge
Fill out application for registration	1	around 160€
File incorporation documents	1	around 30€
Contact HMRC and register for VAT and PAYE	1 and 8	no charge
Sign up for employer's liability insurance	1	no charge

The United Kingdom is a classified OECD high income country and it requires five different procedures and approximately 13 days to establish a business (International Finance Corporation 2012). Table 15 describes the steps in starting a business in the UK. The first actual procedure is to register the company and file the needed documents. After that it is needed to register the company for tax

purposes and finally arrange the required insurance. It takes couple of weeks to get the procedures accomplished and the costs of this process consist of registration procedures. (International Finance Corporation 2012.)

A citizen from the European Economic Area can enter the UK and remain for a period of three months. If a person wants to stay after three months he must be employed, self-employed or studying and be able to prove that he can support himself without public funding (Business Link 2012). The European Economic Area includes Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, the Republic of Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the UK. Iceland, Liechtenstein and Norway are not members of the EU but their citizens have the same rights as the EU citizens in the UK. A person who comes from any of these countries can work, set up a business, manage a company or set up a local branch. He does not need to apply any permission to work in the UK and their family members are also allowed to enter the country if they have a citizenship of an EEA country. (UK Border Agency 2012.)

Business form and taxation

The most widely used business form in the United Kingdom is the Private Limited Liability Company. In this company form finances are separate from its owners and the company is a legal person which has its own right. The company must have at least one director who is an individual. Other shareholders can be either individuals or other companies from the UK or outside the UK. Every shareholder is only liable to the extent of the value of the share invested and is not liable for the company's debts. This company form does not have any share capital requirements. (Lowtax – Global Tax & Business Portal 2012.)

A foreign company can set up a branch in the UK and run the business there. It is not a separate legal entity because it remains as a part of the foreign company. The branch must be registered within one month after being established. If the branch makes profits in the UK it has to submit an annual tax return and take into

consideration possible double taxation issues between the UK and the country of origin. (Lowtax – Global Tax & Business Portal 2012.)

A similar business form as a branch is a place of business which also remains as a part of the foreign company and does not form a separate entity. The place of business can not run the main business of the foreign company in the UK. It can only provide some services like IT-support, a representative office or warehousing to the foreign company. The registration of the place of business is quite similar to the registration of the branch and if the place of business has authority to conclude contracts on the behalf of the foreign company it can be regarded as a branch and subjected to corporation tax. (Lowtax – Global Tax & Business Portal 2012.)

If you are a UK resident you have to pay UK tax on all your worldwide income. You are considered as a UK resident if you spend at least 183 days during any tax year in the UK, plan to stay at least two years in the country or come to visit to the country over four years an average more than 90 days per tax year. A residence will be valid in the beginning of the fifth year. If you are not permanently resident in the country you have to pay taxes only from the overseas income you bring into the UK. The only exception is the income generated in the Irish Republic which will be taxed in any case. (Business Link 2012.)

Working regulations

There are four different national minimum wage rates in the UK. These rates are applied to workers under 18 years old, apprentices under 19, workers from 18 to 20 years and workers over 21 years old. An employer can not make an agreement with a worker to pay less than the national minimum wage if the worker meets the requirements of minimum wage. Most people who are legally working in the UK and above compulsory school age are entitled to this minimum wage. Part-time workers, casual laborers, agency workers and piece workers are all entitled to the minimum wage with or without a written employment contract. Every employee in the business based in the UK must be paid the minimum wage even if he is paid outside the UK. (Business Link 2012.)

Workers can not be forced to work more than 48 hours a week on average unless there is an agreement. The average hours are calculated over 17 weeks and those include possible work-related training, travel as part of duties and working lunches. Working time does not include travelling between home and work, day-release courses or evening classes and lunch breaks. A worker can agree to work longer than 48 hours per week if he signs a written agreement but in some specific industries it is not possible to exceed the weekly working time limit in any case. (Business Link 2012.)

All the businesses in the UK are required to have an Employers Liability Insurance which covers the costs caused by an injury or illness of a staff member. The Health and Safety Executive has a power to fine a company if it does not have insurances required by the law. A company is considered working illegally if it does not have the Employers Liability Insurance. A public Liability Insurance is not compulsory but it covers the costs if something happens to a customer or client who visits the company premises. Legal fees and expenses are covered by this insurance if someone is accidentally injured by the operations of the company. A Professional Indemnity Insurance is also an optional insurance and it protects the business from the claims of an unsatisfied customer. There is also an optional insurance for directors of limited companies which protects them from lawsuits caused by negligence or other mistakes. (Small Business Advice UK 2012.)

7.3 Canada

Canada was the third popular country in the research. 108 respondents choose Canada as the most appealing country to work in and it means eight per cent of all of the selections. The first Finnish emigrants moved to Canada to work in canal and railroad constructions in the 1870's. In the 1890's there were already Finnish colonies in the British Columbia and Ontario. At the moment there are approximately 100 000 people in Canada who have Finnish origins and there is a huge network providing Finnish community and cultural services. (Ministry for Foreign Affairs of Finland 2012.)

General information

The population of Canada is estimated to be 34 300 083 in July 2012. The main languages are English and French and the main ethnic groups are British Isles origin (~28%), French origin (~23%), other European (~15%), Amerindian (~2%) and other smaller groups of Asian, African and Arab. The biggest religions are Roman Catholic and Protestants and some other Christian religions. Smaller groups of other religions are also represented. (Central Intelligence Agency 2012.)

The median age in Canada is 41 years and the population growth rate is estimated to be 0.84 per cent in 2012. The major cities of the country are Toronto with 5.3 million people, Montreal 3.7 million, Vancouver 2.1 million, the capital Ottawa 1.1 million and Calgary 1.1 million. Climate of Canada is temperate in the south and subarctic and arctic in the north. The currency is Canadian dollar which is 0.77 Euros (12 March 2012). (Central Intelligence Agency 2012.)



FIGURE 11. Map of Canada (Central Intelligence Agency 2012)

Starting a business

Also Canada belongs to the OECD high income countries and it requires only one procedure to establish a business and approximately five days (International Finance Corporation 2012). Normally establishing a new business in Canada

requires only the filing of a short notice for information purposes. This filing can be done within 30 days after a business has become operative. The only exceptions which need more actions are new businesses in a culturally sensitive sector or businesses requiring national security review. Residents and non-residents of Canada who run a business, are employed, or sell property located in Canada have to pay corporate and personal income tax. Canadian corporations and individuals are taxable for their income and capital gains earned outside Canada. Non-residents are only taxable on their income from Canadian investments and activities. (Doing Business in Canada 2012.)

A trade name or a Limited Liability Company can be established by an individual who is a resident in Canada. If a person is not a resident of Canada he can not register a trade name. Non-resident individuals and corporations can form a Canadian Presence –Corporation or register their existing corporation in Canada. An existing company can be registered if it is currently active and in good standing in jurisdiction anywhere in the world outside of Canada. This form of registration is called Extra Provincial registration and it gives the company same the rights as any other company incorporated in Canada. (Corporate Registry Services and Trade Mark Agents 2012.)

A foreign person who wants to work in Canada must either have a permanent resident status or work permit which is a written authorization to work in Canada. A foreign person must fulfill a number of specific criteria because the country tries to avoid competition between the foreigners and Canadian citizens in the local labor market. The aim of the legislation is to offer country's work opportunities for Canadians before foreigners. A foreign company owning a Canadian business can not hire citizens from its country of origin over Canadian citizens. There are more flexibilities for companies from the US and Mexico because of the free trade agreement. (Doing Business in Canada 2012.)

Business form and taxation

In Canada a corporation is the most common form of a business. It is established by two or more persons and it is a separate legal entity. Members or shareholders of a corporation maintain the control and elect the directors who are responsible for

the management of the corporation. Shareholders' liability is usually limited to the capital they have invested in the corporation. Corporations are taxed as separate legal entities at the rate applicable to corporations. Most of the corporations in Canada are private corporations with less than 50 shareholders. (Doing Business in Canada 2012.)

The simplest form of a business is a sole proprietorship owned by a one person. The owner does not have a separate legal status from the business, he is responsible for making all the decisions and he receives all the profits and claims all the losses of the company. A sole proprietor pays personal income tax on all generated revenues and it has to register for the goods and services tax. Setting up a sole proprietorship is simple and it is possible to operate as an individual or as an unincorporated, registered business. (Canada Revenue Agency 2012.)

The third common form of a business in Canada is a partnership where two or more individuals, trusts or partnerships jointly run the business. Each partner makes a contribution to the company in a form of money, labor, property or skills and profits and losses are shared. Income tax is not paid by a partnership itself but every partner includes a share of the partnership income or losses on its own tax return. (Canada Revenue Agency 2012.)

A private Limited Liability Company is a widely used form of a business in Canada. It forms a legal entity which is separated from its owners. The company must have at least one owner but it can own property and enter contracts with the company name. An LLC must register in a state in which it operates and if it operates in several states it must register under federal law (Lowtax – Global Tax & Business Portal 2012). A single member limited liability company in Canada is treated as a sole proprietorship in taxation and if there are several members in an LLC it is treated as a partnership. The members of a limited liability company can choose to be taxed as a corporation (Expert Fiscaliste 2012).

Working regulations

Minimum standards for all labor and employment relations are legislated by each province in Canada. There are some variations in the standards in different

provinces but the key issues are covered everywhere. Wages must be paid regularly and deductions like income tax and employment insurance payment are deducted according to law. The minimum hourly wage rate is set by the provincial regulation and there are regional variations. There are also regional standards for hours of work but generally an employee can not work more than eight hours per day. For example in the British Columbia 40 hours per week is the maximum and 48 in Ontario. Overtime wage must be paid if the maximum hours per week are exceeded. (Doing Business in Canada 2012.)

A company operating in Canada should have a General Liability Insurance which protects the business if a neglect causing injury to an employee or a customer happens. This insurance also protects the company if its product or service causes an injury to someone. A Liability insurance is considered as a must have insurance because it is much cheaper than a lawsuit which might cause serious losses or even bankruptcy. A manufacturing or assembling company can also add a product liability feature in the general liability insurance. (Small Business: Canada 2012.)

In Canada a Worker's Compensation Insurance is mandatory for every company which has employees. If an injury happens to an employee this insurance protects an employer from the claims. It provides compensation for employees for injuries happened on the job and protects the business from lawsuits. An Employee Insurance is not compulsory but it is recommended for all kind of businesses. It compensates the costs which are caused for example by the medical care or disability benefits of an employee. (Small Business: Canada 2012.)

7.4 Comparison of the country indexes

The information and communications technology development index is a combination of several indexes which monitors and compares development in information and communication technology in different countries. The ICT Development Index measures the level and evolution of the ICT in different countries and makes it possible to compare them. The ID index includes indexes about a country's fixed telephone lines and mobile telephone subscriptions per 100 citizens, international Internet bandwidth per Internet user, percentage of

households with a computer and internet access, percentage of individuals using the Internet, fixed (wired)-broadband Internet subscriptions and active mobile broadband subscriptions per 100 inhabitants. In addition adult literacy rate, secondary gross enrolment ratio and tertiary gross enrolment ratio are also included to the ID index. Tables 16 and 17 are combined to give an idea about the level of ICT in the selected countries. The rankings and numbers also give a grasp about the level of telecommunication infrastructure of the countries. (International Telecommunication Union 2012.)

TABLE 16. Comparison of the ICT Development Indexes (International Telecommunication Union 2012)

Country	Rank 2010	ID Index 2010	Rank 2008	ID Index 2008
USA	17	7,09	17	6,55
United Kingdom	10	7,60	10	7,03
Canada	26	6,69	20	6,42
Finland	5	7,87	12	6,92

Table 16 shows the rank of the USA, the UK and Canada in the world concerning the development of the Information and Communication Technology between the years 2008 and 2010. Finland is included in the table to give a more concrete idea of the results. The top four countries before Finland in the ranking were Korea (Rep.), Sweden, Iceland and Denmark. The rankings of the USA and the UK have remained the same in 2010 as in 2008 but Canada has lost its ranking by six steps from the year 2008. Finland has improved its ranking by seven steps from the year 2008 and increased the Index more than the other three countries. Korea (Rep.) was the first in the ranking also in 2008 and now its ICT Development Index is 8.40. If the three potential countries to establish a call center are compared, the United Kingdom has the best ranking and ICT Development Index. (International Telecommunication Union 2012.)

TABLE 17. Comparison of the Internet users and broadband subscriptions in 2010
(International Telecommunication Union 2012)

Country	Percentage of individuals using the Internet 2010	Fixed (wired)-broadband Internet subscriptions per 100 inhabitants 2010	Active mobile broadband subscriptions per 100 inhabitants 2010
USA	79	26,3	54
United Kingdom	85	31,4	56
Canada	81.6	29.8	14.8
Finland	86.9	29.1	78.1

Table 17 compares the percentage of individuals using the Internet, fixed (wired)-broadband Internet subscriptions and active mobile broadband subscriptions per 100 inhabitants in 2010. These numbers are taken into account when the countries' index of ICT development is calculated but those can be observed individually to get a more thorough idea of the use of technology in different countries. Finland is included in the table to give more perspective to the numbers. If the USA, the UK and Canada are compared, people in the United Kingdom use the Internet most actively and have most broadband subscriptions. (International Telecommunication Union 2012).

The coverage of fixed line telephone is 100 per cent in the United Kingdom premises. A broadband at 2Mbit/second or more covers 86 per cent of the existing connections and a superfast fixed broadband covers 58 per cent of the premises. Outdoor mobile 2G is available by all operators in 97 per cent of the premises and 3G in 73 per cent. An average fixed broadband modem sync speed is 7.5Mbit/second and an average data throughput per residential connection is 17 GB. A superfast broadband availability of the UK households is 58 per cent and in March 2011 there were 18 million active broadband connections in the country. (Ofcom 2012.)

TABLE 18. Comparison of different business related indexes (International Finance Corporation 2012)

Country	Ease of doing business	Starting a business	Getting credit	Paying taxes	Number of tax payments	Total tax rate %	GNI per capita US\$
USA	4	13	4	72	11	46.7	47 140
United Kingdom	7	19	1	24	8	37.7	38 540
Canada	13	3	24	8	8	28.8	46 215
Finland	11	39	40	28	8	39	47 170

In table 18 the ease of doing business index means that the regulatory environment is more supportive in establishing and operating of a local firm. The index averages the country's rankings in ten different topics which are combined from a variety of indicators which are given equal weight. The starting a business ranking includes the bureaucratic and legal obstacles which must be overcome when registering a new firm. This evaluates procedures, time and costs when launching a company up to 50 employees. The ranking in getting credit evaluates the credit information registries and the effectiveness of collateral and bankruptcy laws in facilitating lending. (International Finance Corporation 2012.)

The number of tax payments includes taxes and mandatory contributions which must be paid or withheld in given years and an administrative burden in paying taxes. The GNI per capita includes the gross national income converted to US dollars which is divided by the midyear population. It is the sum of value added by the all resident producers including any product taxes. It does not include the compensation of employees and property income from abroad. The number of tax payments includes the total number of taxes paid by a business once in a year even if the payments are more frequent. The total tax rate is the amount of taxes and mandatory payments which must be paid after accounting allowable deductions and share of profits. Taxes like personal income tax, VAT, sales tax and goods and service tax are excluded. (International Finance Corporation 2012.)

These indexes are included in the comparison because a company has to consider these factors when establishing a business in a new country. Table 18 compares

the indexes of the USA, the United Kingdom, Canada and Finland which is included to make comparison more clear. The USA is the easiest and Canada the most difficult country to do business according to the table. Starting a business is easiest in Canada and most difficult in the UK but if it is compared to Finland, it is much easier. Getting credit is easy in the UK and in the USA but more difficult in Canada and much more difficult in Finland. The tax paying is easiest in Canada and most difficult in the USA. The UK and Finland are ranked as quite similar in this matter. The number of tax payments is the same in the UK, Canada and Finland. The USA has three more payments compared to the other countries. The USA has the biggest total tax rate and Canada the smallest. The gross net income per capita is the biggest in Finland and second biggest in the USA.

TABLE 19. Comparison of different standard of living related indexes (Numbeo 2012)

Country	Consumer price index	Rent index	Groceries index	Restaurant price index	Local purchasing power index
USA	83.06	37.42	77.65	68.74	116.48
United Kingdom	100.13	37.85	83.74	94.07	88.35
Canada	98.04	38.35	93.84	83.16	108.18
Finland	99.69	36.47	82.32	96.90	98.14

The standard of living and costs in different countries are evaluated by different indexes. The indexes in table 19 are relative to New York City. Each index is 100 per cent in NYC and the indexes are compared to this percentage. The consumer price index indicates relative consumer goods price including groceries, restaurants, transportation and utilities. The accommodation expenses are not included in the index. The rent index is calculated separately and it shows the renting prices of apartments compared to New York City. The groceries index shows the estimated price of groceries and restaurant price the price of meals and drinks in restaurants and bars compared to NYC. The local purchasing power indicates relative purchasing power in buying goods and services for the average wage in that country. (Numbeo 2012.)

According to the table the USA has the lowest consumer price index. The consumer goods and services in the USA are an average almost 20 per cent cheaper compared to New York City. The UK has almost the same consumer price index with the NYC and Canada, only a couple per cents smaller. There is not big variation in the rent index of different countries and after Finland the USA has the smallest index. The USA overall has the smallest groceries index and it is around 20 per cent smaller than in New York City. The restaurant price index is also the smallest in the USA and in the UK and Finland it is much higher. The local purchasing power index is the lowest in the UK and it means that the inhabitants are able to buy around ten per cent less typical goods and services with their average salary than NYC inhabitants with their average salary. The local purchasing power index in the USA in general is more than in NYC and the inhabitants are able to buy more with their average salary than people in NYC. (Numbeo 2012.)

TABLE 20. Comparison of different safety related indexes (Numbeo 2012)

Country	Crime index	Safety index	Health care index	Pollution index
USA	64.93	35.07	65.52	61.27
United Kingdom	46.04	53.96	76.04	64.43
Canada	39.82	60.18	71.99	41.59
Finland	17.58	82.42	77.08	24.38

Safety is an essential issue when considering living abroad. Safety and health care issues in different countries can be evaluated using available indexes. The crime index estimates the overall level of crime in a country. A number up to 50 is reasonable and a number more than 100 is very high. The safety index is the opposite of the crime index and the higher the number the safer the country is. The health care index estimates the overall quality of a country's health care system, professionals, equipment, costs and other related factors. The pollution index is an estimation of a country's overall pollution and two main factors affecting it are air and water pollution. (Numbeo 2012.)

According to table 20 the crime index is lowest in Finland and the second lowest in Canada. The index exceeds 50 only in the USA but it is not very high nowhere in the mentioned countries. As an example, the crime index of Japan is 5.75 and that of Venezuela's 84.74. The safety index is the highest in Finland meaning it is the safest of these countries. The index is the second high in Canada and the third highest in the UK. The safety index of Venezuela is 15.26 and 94.25 in Japan. The health care index is the second highest in the United Kingdom and the lowest in the USA. The highest health care index in the world is in Japan and the lowest in Russia. The pollution index is much lower in Finland than in the other mentioned countries and the highest in the UK. The index of the UK is not much when it is compared to Sudan which has the highest pollution index, 149.17 in the world. The lowest pollution index, 7.08 is in Iceland. (Numbeo 2012.)

When considering telecommunication development, the United Kingdom beats the USA and Canada. The UK also has the highest amount of Internet users and there are more subscriptions of fixed broadband Internet and mobile broadband compared to the other countries. There is more variation between the countries when doing business is considered. The USA is the easiest country to do business but starting the business is the easiest in Canada. Getting credit is easiest in the UK but paying taxes is much easier in Canada than in the USA and the UK. The number of tax payments is the same in the UK and Canada but the total tax rate is lower in Canada. (Numbeo 2012.)

When comparing the living related indexes, the USA has the best rankings. Even if the indexes are relative to the New York City, overall living in the USA is cheaper than in the United Kingdom and in Canada. The biggest variations can be seen in the consumer price index, the groceries index and the restaurant price index where the USA is significantly cheaper than the other countries. Also the local purchasing power index is the biggest in the USA. The rent index is the only index which does not have very big variation between the countries. Canada is dominating when the safety related indexes are considered. The crime index is the lowest and the safety index is the highest in Canada. Also the pollution index is lower in Canada than in the USA and the UK. Canada is beaten only in the health care where the United Kingdom has a better index. (Numbeo 2012.)

8 CONCLUSIONS

The objective of this thesis was to find a potential country to establish a Finnish-owned call center. This country should be appealing for Finnish employees and suitable for running this kind of business. A potential country was found out by asking the opinion of Finnish students of Savonia University of Applied Sciences. An online questionnaire was sent by e-mail to around 5 600 students of Savonia UAS and 385 of them responded. These responses were analyzed and as a result three most popular countries in which people would like to work were found out. These countries were analyzed by using theoretical data found from literature and the Internet. The countries were evaluated in regard to establishing and running a business, laws and regulations, telecommunication infrastructure and basic living in the country.

Most of the respondents of the questionnaire were women between 19 and 24 years old studying social services and health care. The respondents chose the USA, the United Kingdom and Canada to be the three most attractive countries for working. The most common reasons why the respondents chose these countries was the interest in the countries and the second most common reason was the language and the fact that you can manage with English in all of these countries. The third most common reason to select a favorite country was the culture which according to the answers should not be too different from that of Finland.

The respondents did not want to work in a country which has a very different culture compared to Finland and unsafe countries were also unpopular. Lack of language skills also affected to the selection of the countries. Over half of the respondents would prefer to stay abroad a couple of months and only five per cent of them would be willing to stay the rest of their lives abroad. The respondents were asked to evaluate the meaning of different factors concerning working and living abroad. Most of the respondents selected the attractiveness of the job, culture and language as very important factors. The size of the country, location and the price level of the country were not meaningful factors to the respondents.

8.1 Summary of the theoretical framework

Internationalizing is a common trend and it offers new possibilities and efficiency for the companies. Finnish companies are increasingly outsourcing and establishing affiliates abroad and the European Union has made it easier. At the moment most of the Finnish affiliates are located in the EU countries but the amount of affiliates in Asia and America is increasing. The biggest internationalizing industries are manufacturing, wholesale and retail.

There are differences in establishing a business in different countries. Countries have different amount of procedures and different requirements in starting a business. Company laws and regulations vary from country to country and also working regulations have differences. Countries have different taxation policies and it can affect the profitability of a company.

Finnish people have moved abroad to work even before the internationalizing of the companies became popular. For example in the 1870's Finnish people moved to Canada to work in railroad constructions and started to form their own colony there. After that it became more and more common to go working, study or set up a family abroad. Besides Sweden the USA, the United Kingdom and Canada have attracted Finnish people for decades and there are already several generations of Finnish people living in these countries. Nowadays every year around 8 000-10 000 Finns move abroad to work or study and in many cases a period of time can change into the rest of the life when people set up a family abroad.

All the countries which are popular among the Finnish emigrants meet the requirements which came up in the research. Sweden, the USA, the UK and Canada have quite similar cultures compared to Finland. The languages are familiar and countries are considered safe. These might be the reasons why Finnish emigrants preferred these countries also decades ago.

Finnish students are more and more willing to go to study abroad. In the past students went abroad because the selection of study fields was limited in Finland. Nowadays students want to have a competitive edge in the labor market by gaining

language and cross-cultural communication skills while studying abroad. Highly educated Finns are more interested in working abroad and a graduate from the field of business, social or natural sciences is more willing to go to work abroad than a graduate from other fields of study. The most popular countries to work among these graduates are Sweden, Germany, the USA, the UK and Belgium.

8.2 Evaluation of the potential countries and own suggestions

The three most popular countries to work among the respondents of the questionnaire are also popular among Finnish emigrants and internationalizing companies. The cultures of the USA, the UK and Canada have similarities with the Finnish culture and the habits and manners are not very different. Business cultures are quite similar in every country and all countries are economically stable. The United Kingdom belongs to the European Union and it reduces some barriers. The free movement of the labor, capital and products and services makes it easier to do business with and in the UK.

The UK is the most popular country among the Finnish students abroad and in the academic year 2010-2011 there were 1 727 Finnish degree students. In addition there are approximately 20 000 permanent Finnish emigrants living in the UK. The USA is the most popular country to study in outside the EU and there were 337 degree students in the USA in the academic year 2010-2011. Finnish emigrants have favored the United States since the 15th century when they moved to the Swedish colonies located in Delaware. Nowadays it is estimated that there are 650 000 Finnish emigrants and their descendants and also tens of thousands of seasonal emigrants in the USA. Canada does not attract students as much as the USA and the UK but it has attracted Finnish emigrants since the 19th century. Nowadays there are approximately 100 000 people with Finnish origins forming a huge network in Canada.

Establishing a business is quite easy in all of these countries. Most establishing procedures have to be done in the UK and it also takes more time than establishing a business in the USA and Canada. It is estimated that running a business in general is easiest in the USA and hardest in Canada. The working regulations are

not very different in these three countries. Every country requires certain insurances for a company and sets minimum wages and maximum working hours. The taxation is the lowest in Canada and the second lowest in the UK but taxation issues depend on the business form.

In the USA a foreigner can establish a business if he fulfills certain legal requirements and has a certificate of occupancy. It is possible to establish a totally new company or establish a branch office for an already existing company. It is possible to work in the USA as an immigrant when the requirements are met. A Finnish person is allowed to work in the USA for 90 days without a visa under the Visa Waiver Program.

In the United Kingdom a person has to be in the country legally to be able to start a business. A person coming from another EU country can stay in the country for three months and after that he has to prove to be able to support himself in order to stay. This means that he has to be employed, self-employed or studying. For example a person coming from Finland is able to work, start a business or a local branch for a Finnish company in the UK and also bring his Finnish relatives to the country. In Canada you have to be a resident to be able to establish a Limited Liability Company but as a non-resident you can establish a Canadian Presence – Corporation or register an existing corporation in Canada. A foreign person who wants to work in Canada must either have a permanent resident status or written work permit.

If a call center business is considered, it is important that there is a good telecommunication infrastructure in a country. The information and communication technology is developing all the time and all the countries want to have up-to-date systems. According to the comparison the UK has higher ICT development index than the USA and Canada. The UK is also ranked higher than the other two countries in the worldwide comparison. Between the three countries the UK has the most individuals using the Internet, fixed (wired)-broadband Internet subscriptions and active mobile broadband subscriptions per 100 inhabitants.

The living standard and cost of living are important factors for a person who moves abroad. The importance increases if a person is planning to stay for several years

or the rest of his life in that country. These factors are not so important for a seasonal worker e.g. a student who is doing his internship or working abroad for summer months. The cost of living and living standard of the countries can be compared but it has to be taken into account that income and costs vary in different regions of the same country. When the USA, the UK and Canada are compared the consumer price index is the lowest in the USA when New York City is used as a reference. The rent index, groceries index and restaurant price index are also the lowest in the USA and the local purchasing power index is the highest there.

Safety issues are important for a person moving abroad and health care should be available. Canada is the safest when the safety and crime indexes of the three countries are compared. The United Kingdom is the second safe and the USA the least safe. These indexes vary inside a country when different cities are compared and it is obvious that more crime happens in bigger cities. When the health care indexes are compared the UK comes in the first place. The health care index of the UK is almost as high as that of Finland.

Pollution can also affect the attractiveness of a country and the pollution indexes are also available for comparison. Between these three countries Canada has the lowest pollution index but it is much higher than that of Finland. Several factors have an effect on the amount of pollution and it is not correct to compare for example Finland, which is mostly covered by forests and the United Kingdom, which has much bigger population and higher population density.

When the opinions of the respondents of the research and theoretical data are evaluated it seems that the United Kingdom could be the most potential country to establish a Finnish-owned call center. The culture of the UK could be considered as quite similar to that of Finland and you can manage with English in all parts of the country. The country is relatively safe and health care is at a good level. The location of the country is favorable because some respondents of the questionnaire do not want to work either in neighboring country of Finland or in a country on the other side of the world. The climate in the UK is suitable for a Finnish person and there is smaller variation in temperatures compared to Finland.

It is easier for a Finnish company to start a business in another EU country because there are less restrictions and obstacles. Some regulations are the same in all EU countries and it makes following them easier. There is also a possibility to get support from several organizations when exploring the target market and financial issues. There are already existing Finnish companies and Finnish people in the country and networking is easier. It is also possible to find employees for the company because there are a lot of Finnish degree students and permanent residents in the UK.

There are good conditions for a call center business in the UK. The telecommunication infrastructure is up-to-date and it is developed all the time. Renting an office can be expensive in the UK and careful comparison between the regions and cities should be made. London was the most popular city to work in according to the results of the research but it is one of the most expensive cities in the world to live in. Rent expenses can be saved if the call center office is located somewhere else than in the biggest cities and because travelling distances are not very long and transportation systems are good it should not be a problem to attract employees.

REFERENCES

Books and articles

Frazier, K & Haigh R. 2004. *Business Brief: USA*. Helsinki: Multikustannus Oy.

Haigh, R. 2004. *Business Brief: Britain*. Helsinki: Multikustannus Oy.

Mikkola, T. 1994. *Työhön Eurooppaan*. Jyväskylä: Gummerus Oy.

Internet sources

Business Link 2012. [website]. [accessed 22 March 2012]. Available from:
<http://www.businesslink.gov.uk>

Canada Revenue Agency 2012. [website]. [accessed 15 March 2012]. Available from: <http://www.cra-arc.gc.ca/tx/bsnss/sm/sttng/sl-eng.html>

Case company's Web-page 2012 [website]. [accessed 9 January 2012].

Central Intelligence Agency 2012. *The World Factbook*. [web publication]. [accessed 1 March 2012]. Available from: <https://www.cia.gov/library/publications/the-world-factbook/geos/uk.html>

Corporate Registry Services and Trade Mark Agents 2012. *Registering your existing corporation in Canada*. [web publication]. [accessed 16 March 2012]. Available from: <http://www.arvic.com/library/ex-pro.asp>

Doing Business in Canada 2012. [website]. [accessed 15 March 2012]. Available from: <http://www.doingbusinessincanada.com/legal-guide>

Ellis-Christensen, T. 2012. *What is an international call center*. [web publication]. [accessed 8 February 2012]. Available from: <http://www.wisegeek.com/what-is-an-international-call-center.htm>

Expert Fiscaliste 2012. *LLC Canadian Taxation*. [web publication]. [accessed 15 March 2012]. Available from: http://www.expert-fiscaliste.net/uploads/2010_LLC_Canadian_Taxation.pdf

Helsingin Sanomat 2012. *Päivääkään en ole katunut*. [web publication]. [accessed 6 February 2012]. Available from: <http://www.hs.fi/ulkomaat/P%C3%A4iv%C3%A4k%C3%A4n+en+ole+katunut/a1305554337757>

Immihelp.com 2012. *Visa Waiver Program*. [web publication]. [accessed 14 March 2012]. Available from: <http://www.immihelp.com/visa-waiver-program/>

Institute of Migration – Siirtolaisuusinstituutti Finland 2012. *Euroopansuomalaiset 2010*. [web publication]. [accessed 31 January 2012]. Available from: http://www.migrationinstitute.fi/stat/Euroopansuomalaiset_2010.jpg

Internal Revenue Service United States Department of the Treasury 2012. *Limited Liability Company*. [web publication]. [accessed 14 March 2012]. Available from: <http://www.irs.gov/businesses/small/article/0,,id=98277,00.html>

International Finance Corporation 2012. *Doing Business – United States / United Kingdom / Canada*. [web publication]. [accessed 1 March 2012]. Available from: <http://www.doingbusiness.org/data/exploreeconomies>

International Telecommunication Union 2012. *Measuring the Information Society 2011*. [web publication]. [accessed 26 March 2012]. Available from: http://www.itu.int/ITU-D/ict/publications/idi/material/2011/MIS_2011_without_annex_5.pdf

Kivinen, O., Nurmi, J. & Kanervo, O. 2002. *Maisteriopista työuralle – Suomalaiset korkeakoulutetut Eurooppalaisessa vertailussa*. [web publication]. Research unit for the sociology of education, RUSE. University of Turku. [accessed 1 February 2012]. Available from: http://www.minedu.fi/export/sites/default/OPM/Julkaisut/2002/liitteet/opm_335_94maisteriopista_tyouralle.pdf?lang=fi

Koivukangas, O. 2003. *Finns abroad – A short history of Finnish emigration*. [web publication]. Institute of Migration 2012. [accessed 12 March 2012]. Available from: http://www.migrationinstitute.fi/articles/027_Koivukangas.pdf

Lowtax – Global Tax & Business Portal 2012. *Canada Private Limited Liability Company*. [web publication]. [accessed 15 March]. Available from: http://www.lowtax.net/lowtax/html/canada/canada_company_forms.asp#plimited

Lowtax – Global Tax & Business Portal 2012. *UK: Company forms*. [web publication]. [accessed 22 March]. Available from: http://www.lowtax.net/lowtax/html/uk/uk_company_forms.asp#ltd

Maaillalle.net 2012. *Kelan opintotukitilastot: Britannia on edelleen suomalaisten tutkinto-opiskelijoiden suosikki*. [web publication]. [accessed 12 March 2012]. Available from: http://www.maaillalle.net/neuvonta_ja_tiedonlahteet/ajankohtaista/101/0/kelan_opintotukitilastot_britannia_on_edelleen_suomalaisten_tutkinto-opiskelijoiden_suosikki

Ministry for Foreign Affairs of Finland – Embassy of Finland. *Kanadansuomalaiset..* [web publication]. [accessed 13 March 2012]. Available from: <http://www.finland.ca/public/default.aspx?nodeid=36035&contentlan=1&culture=fi-FI>

Ministry for Foreign Affairs of Finland – Embassy of Finland. *Tietoa Isosta Britanniaasta*. [web publication]. [accessed 13 March 2012]. Available from: <http://www.finemb.org.uk/Public/default.aspx?nodeid=43619&culture=fi-FI&contentlan=1&displayall=1>

Ministry for Foreign Affairs of Finland – Embassy of Finland. *Tietoa Yhdysvalloista – Kahdenväliset suhteet*. [web publication]. [accessed 13 March 2012]. Available from: <http://www.finland.org/public/default.aspx?nodeid=43216&contentlan=1&culture=fi-FI>

Numbeo 2012. [web page]. [accessed 27 March 2012]. Available from: <http://www.numbeo.com>

Ofcom 2012. *UK Communications Infrastructure Report 2011*. [web publication]. [accessed 27 March 2012]. Available from: <http://stakeholders.ofcom.org.uk/binaries/research/telecoms-research/bbspeeds2011/infrastructure-report.pdf>

Rikama, S. 2008. *Suomalaisyriykset ovat ulkomaille ulkoistamisen etujoukkoa*. [web publication]. Statistics Finland 2012. [accessed 10 January 2012]. Available from: http://www.stat.fi/artikkelit/2008/art_2008-07-10_003.html?s=2

Rikama, S. 2011. *Yrityksiä perustamaan – helpommin Ranskaan kuin Suomeen*. [web publication]. Statistics Finland 2012. [accessed 10 January 2012]. Available from: http://www.stat.fi/artikkelit/2011/art_2011-12-21_001.html

Saarikallio-Torp, M. & Wiers-Jenssen, J. 2010. *Nordic students abroad – Student mobility patterns, student support systems and labour market outcomes*. [web publication]. Studies in social security and health. [accessed 25 January 2012]. Available from: <https://helda.helsinki.fi/bitstream/handle/10138/17453/Tutkimuksia110.pdf?sequence=1>

Savonia University of Applied Sciences 2012. *Tutustu Savoniaan*. [website]. [accessed 21 February]. Available from: <http://portal.savonia.fi/amk/tutustu-savoniaan>

Small Business Advice UK 2012. [website]. [accessed 22 March 2012]. Available from: <http://www.smallbusiness.co.uk/>

Small Business: Canada 2012. *Do You Have The Business Insurance You Need?* [web publication]. [accessed 21 March 2012]. Available from: http://sbinfocanada.about.com/cs/insurance/a/insurancetypes_2.htm

Statistics Finland 2012. *Suomalaiset tytäryhtiöt EU:n ulkopuolisissa maissa vuonna 2009, suurimmat toimialat*. [web publication]. [accessed 10 January 2012]. Available from: http://www.stat.fi/til/stu/2009/stu_2009_2011-06-09_tau_007_fi.html

Statistics Finland 2012. *Suomalaiset tytäryhtiöt ulkomailla*.
[web publication]. [accessed 10 January 2012]. Available from:
http://www.stat.fi/til/stu/2009/stu_2009_2011-06-09_tau_001_fi.html

Suomen Yrittäjät 2012. *Kansainvälinen toimintaympäristö, suunnittelu ja markkinatieto*. [web publication]. [accessed 9 February]. Available from:
http://www.yrittajat.fi/fi-FI/yritystoiminnanabc/kv/toimintaymparisto_suunnittelu_markkinatieto/

The NYC Small Business Resource Center 2012. *Business owner's manual*. [web publication]. [accessed 14 March 2012]. Available from:
http://legacy.www.nypl.org/research/sibl/smallbiz/business/employer/employer_wages.html

UK Border Agency 2012. [website]. [accessed 22 March 2012]. Available from:
<http://www.ukba.homeoffice.gov.uk/eucitizens/rightsandresponsibilities/>

United States Company Tax Site 2012. *Limited Liability*. [web publication].
[accessed 14 March 2012]. Available from: http://www.usa-federal-state-company-tax.com/limited_liability.asp

US Citizenship and Immigration Services 2012. *Working in the US*. [web publication]. [accessed 14 March]. Available from:
<http://www.uscis.gov/portal/site/uscis/menuitem.eb1d4c2a3e5b9ac89243c6a7543f6d1a/?vgnextoid=a39e901bf9873210VgnVCM100000082ca60aRCRD&vgnnextchannel=a39e901bf9873210VgnVCM100000082ca60aRCRD>

Yritys-Suomi 2012. *Kansainvälisen toiminnan käynnistäminen – Yhtiö ulkomailla*.
[web publication]. [accessed 23 January 2012]. Available from:
<http://www.yrityssuomi.fi/web/guest/yhtio-ulkomailla1>

Interview

Sopanen, Sirkka 2012. Secretary. Savonia University of Applied Sciences. Varkaus 16 April 2012. Telephone interview.

APPENDIX 1 Covering e-mail for the respondents**Lyhyt kysely liittyen ulkomailla työskentelemiseen**

Moi!

Olen kansainvälisen liiketalouden opiskelija Varkaudesta ja teen opinnäytetyötäni suomalaiselle yritykselle, joka aikoo laajentaa toimintaansa ulkomaille. Oheisesta linkistä löytyy lyhyt kysely, jolla on tarkoitus selvittää suomalaisopiskelijoiden mielipiteitä ulkomailla työskentelemiseen liittyen. Olisin erittäin kiitollinen, jos uhraisit pari minuuttia kyselyyn vastaamiseen ja kertoisit mielipiteesi aiheesta.

<https://docs.google.com/spreadsheet/viewform?formkey=dFhSYzUtNUFzSIFwNEVLTUd4b0pubUE6MQ>

Ystävällisin terveisin,

Annika Malkki

Varkaus Campus

APPENDIX 2 Questionnaire

Kysely liittyen ulkomailla työskentelemiseen

Ikä:

Sukupuoli:

- ☐ Nainen
- ☐ Mies

Koulutusala:

- ☐ Kulttuuriala
- ☐ Luonnonvara- ja ympäristöala
- ☐ Matkailu-, ravitsemis- ja talousala
- ☐ Sosiaali-, terveys- ja liikunta-ala
- ☐ Tekniikan ja liikenteen ala
- ☐ Yhteiskuntatieteiden, liiketalouden ja hallinnon ala

Missä seuraavista maista haluaisit työskennellä tai suorittaa opintoihisi liittyvän työharjoittelun (suomalaisen yrityksen palveluksessa)? Voit valita 3 maata Eurooppa

- ☐ Andorra
- ☐ Belgia
- ☐ Englanti
- ☐ Espanja
- ☐ Gibraltar
- ☐ Hollanti
- ☐ Irlanti
- ☐ Islanti
- ☐ Italia
- ☐ Itävalta
- ☐ Kreikka
- ☐ Kypros
- ☐ Latvia
- ☐ Liettua
- ☐ Luxemburg

- ☐ Monaco
- ☐ Norja
- ☐ Portugali
- ☐ Puola
- ☐ Ranska
- ☐ Ruotsi
- ☐ Saksa
- ☐ Sveitsi
- ☐ Tanska
- ☐ Tšekki
- ☐ Turkki
- ☐ Unkari
- ☐ Venäjä
- ☐ Viro
- ☐ Muu:

Aasia

- ☐ Intia
- ☐ Japani
- ☐ Kiina
- ☐ Libanon
- ☐ Malediivit
- ☐ Singapore
- ☐ Sri Lanka
- ☐ Taiwan
- ☐ Turkki
- ☐ Muu:

Amerikka

- ☐ Kanada
- ☐ Meksiko
- ☐ USA
- ☐ Muu:

Miksi valitsit kyseisen maan/maat?

Kuinka pitkäksi aikaa haluaisit muuttaa valitsemaasi maahan?

- ☒ Muutamaksi kuukaudeksi
- ☒ Vuodeksi tai muutamaksi vuodeksi

- ☒ Loppuelämäksi

Mikä olisi mieluisin kaupunki kussakin valitsemassasi maassa? Kaupunki 1

Kaupunki 2

Kaupunki 3

- ☐ En osaa sanoa

Mihin maahan edellä mainituista et haluaisi työskentelemään?

Miksi?

Onko seuraavilla asioilla merkitystä valitessasi maata? Hintataso

	1	2	3	
Ei merkitystä	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Suuri merkitys

Ilmasto

	1	2	3	
Ei merkitystä	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Suuri merkitys

Itse työn mielenkiintoisuus

	1	2	3	
Ei merkitystä	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Suuri merkitys

Kieli

	1	2	3	
Ei merkitystä	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Suuri merkitys

Kulttuuri

	1	2	3	
Ei merkitystä	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Suuri merkitys

Maan koko

	1	2	3	
Ei merkitystä	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Suuri merkitys

Palkkataso

	1	2	3	
Ei merkitystä	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Suuri merkitys

Sijainti

	1	2	3	
Ei merkitystä	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Suuri merkitys

Työlainsäädäntö

	1	2	3	
Ei merkitystä	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Suuri merkitys

Yritys

	1	2	3	
Ei merkitystä	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Suuri merkitys

Jokin muu asia, mikä?

	1	2	3	
Ei merkitystä	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Suuri merkitys

Lähetä

Palvelun tarjoaa [Google-dokumentit](#) [Ilmoita väärinkäytöstä](#) - [Palveluehdot](#) - [Lisäehdot](#)